

**SESSION LAWS**  
OF  
**HAWAII**  
PASSED BY THE  
**FIRST STATE LEGISLATURE**

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**REGULAR SESSION**  
**1960**

Convened on Wednesday, February 17  
and  
Adjourned Sine Die on Thursday, April 7

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**SPECIAL SESSION**  
**1960**

Convened on Monday, June 13  
and  
Adjourned Sine Die on Friday, July 1

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Published by Authority of the  
Revisor of Statutes  
Honolulu, Hawaii

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Printed by  
The Advertiser Publishing Co., Ltd.  
Honolulu, Hawaii  
1960

## AUTHORITY

**Section 4, Act 191, Session Laws of Hawaii 1959, provides as follows:**

**Section 4. Publishing of session laws.** As soon as possible after the close of each session of the legislature, the revisor shall prepare for publication all laws duly enacted at such session, arranged, first the bills and then joint resolutions, in the order of their becoming law, together with a suitable index and tables showing what general statutes have been affected by such session laws.

## **C E R T I F I C A T E**

I, Hidehiko Uyenoyama, Revisor of Statutes of the State of Hawaii, certify that the Acts of the First Legislature of the State of Hawaii passed at its Regular Session and Special Session of 1960 set forth herein have been compared with the enrolled copies thereof deposited in the office of the Lieutenant Governor of Hawaii and that they appear to be correctly printed.

**HIDEHIKO UYENOYAMA**  
Revisor of Statutes

Honolulu, Hawaii  
July 25, 1960

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**ELECTED OFFICIALS AND LEGISLATIVE OFFICERS**

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**UNITED STATES CONGRESS**

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Oren E. Long

**House of Representatives:**  
Daniel K. Inouye

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**Lieutenant Governor** . . . . . James K. Kealoha

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FIRST STATE LEGISLATURE**

**REGULAR AND SPECIAL SESSIONS  
1960**

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 Vice-Speaker ..... Manuel S. Henriques  
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 Walter M. Heen (D)  
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 Ambrose J. Rosehill (R)

**Eighteenth District—(Kauai)**

William Fernandes (D)  
 Manuel S. Henriques (D)  
 Abel Medeiros (R)

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# Session Laws Of Hawaii

Passed By The

First State Legislature

Regular Session

1960

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## ACT 1

An Act Appropriating Money for the Expenses of the Regular Session of 1960 of the First State Legislature of the State of Hawaii, for the Expenses of the Special Session of the Senate Convened February 1, 1960, for the Payment of the Expenses of the Compilation and Printing of the Senate Journal of the 30th Territorial Legislature, for Compensating Certain Members of the House of Representatives for Attendance at Pre-Session Hearings, for the Payment of Allowances for Personal Expenses of the Members of the Legislature while Attending Any Session of the Legislature, for the Expenses of Any Holdover Committee or Committees of the Legislature for the Period Herein Specified, and Removing Any Limitations Imposed by Section 5-16 of the Revised Laws of Hawaii 1955, as Amended, or any Other General Statute.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. There is hereby appropriated from the general revenues of the State the sum of \$445,000.00, or so much thereof as may be necessary, for defraying the expenses of the Senate of the First State Legislature of the State of Hawaii, up to and including February 14, 1961 and including the expenses of the Special Session of the Senate convened on February 1, 1960.

SECTION 2. There is hereby appropriated from the general revenues of the State the sum of \$650,000.00, or so much thereof as may be necessary, for defraying the expenses of the House of Representatives of the First State Legislature of the State of Hawaii, up to and including February 14, 1961 and for paying the same allowances payable under section 2-20, Revised Laws of Hawaii 1955, as amended, to members of the House of Representatives who as committee members attended committee meetings beginning February 1, 1960 in connection with pre-session hearings on and study of the budget and revenues of the State for the fiscal year ending June 30, 1961.

## ACT 2

SECTION 3. There is hereby appropriated from the general revenues of the State the sum of \$9,000.00, or so much thereof as may be necessary for the defraying of the expenses of printing and compiling the Senate Journal of the 30th Territorial Legislature.

SECTION 4. Any unencumbered balance of the appropriations provided for in sections 1, 2 and 3 remaining at the close of the regular session of 1960 is hereby appropriated for defraying the expenses of any holdover or interim committee or committees established by the First State Legislature.

SECTION 5. The allowance payable under section 2-20, Revised Laws of Hawaii 1955, as amended, shall be payable from February 17, 1960 for all members of the Legislature and from February 1, 1960 for all members of the Senate and for those members of the House of Representatives who attended the pre-session hearings described in section 2 of this Act.

SECTION 6. Section 2-20 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding thereto a new paragraph to read as follows:

"Members of the Legislature of the State of Hawaii shall be allowed mileage at the rate of 20 cents a mile each way for each session of the Legislature."

SECTION 7. The comptroller of the State shall, prior to February 15, 1961, audit the accounts of the Senate and the House of Representatives of the regular session of 1960 of the First State Legislature of the State of Hawaii and the accounts of the Special Session of the Senate which convened February 1, 1960. Immediately upon the completion of the audit, a full report thereon shall be presented to the Senate and to the House of Representatives of the Legislature convening on February 15, 1961.

SECTION 8. The expenses of any member of the Legislature, while traveling abroad on official business of the Legislature, shall not be limited by the provisions of section 5-16 of the Revised Laws of Hawaii 1955, as amended, or any other general statute. The expenses of such member shall be such as may be allowed by the Senate or by the House of Representatives, respectively.

SECTION 9. Each section of this Act is hereby declared to be severable from the remainder of this Act.

SECTION 10. This Act shall take effect upon its approval.

(Approved February 26, 1960.) S.B. 2.

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## ACT 2

An Act Amending Section 8-104 of the Charter of the City and County of Honolulu, Relating to Members of the Board of Water Supply.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 8-104 of Article VIII of the Charter of the City and County of Honolulu provides that the board of water supply "shall consist of seven members. The chief engineer of the department of public works of the city and the superintendent of public works of the Territory or the heads of successor agencies having substantially the same duties shall be members ex-officio of the board."

Prior to the enactment of Act 1, Second Special Session, First State Legislature 1959, hereinafter referred to as the Reorganization Act, the "department of public works" of the Territory headed by the superintendent included two separate functions: public works and highways. However, the Reorganization Act abolished the department of public works of the Territory and allocated its functions to two separate departments. The highway functions were transferred by section 26 of the Reorganization Act to the department of transportation headed by the director of transportation, and the non-highway functions were transferred by section 12 of the Reorganization Act to the department of accounting and general services headed by the comptroller. A question has arisen as to whether the director of transportation or the comptroller shall serve on the board of water supply, which should be clarified by appropriate legislation. Since problems handled by the board of water supply frequently involve state-owned highways, it is desirable that the director of transportation serve on the said board.

It is urgent that this measure be approved and enacted at this time to remove any doubt or uncertainty as to the membership of said board, particularly in connection with its plans to issue revenue bonds before the next general session of the legislature.

SECTION 2. Section 8-104 of the Charter of the City and County of Honolulu is hereby amended by deleting the words "superintendent of public works of the Territory" wherever found and substituting in lieu thereof the words DIRECTOR OF TRANSPORTATION OF THE STATE.

SECTION 3. This Act shall take effect upon its approval.  
(Approved April 21, 1960.) **S.B. 242.**

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### ACT 3

An Act to Provide for the Planning, Designation, Establishment, Use, Regulation, Alteration, Improvement, Maintenance, and Vacation of Controlled-Access Facilities; the Acquisition of Lands Required Therefor; the Restriction of Inter-Sections and Control of Ap-

## ACT 3

proaches; the Establishment of Local Service Roads, the Prohibition of Certain Acts Thereon and for Other Purposes.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

The enactment by the United States Congress of legislation to include the State of Hawaii in the 90 - 10 Interstate and Defense Highway program is imminent. Under the Federal Highway Act, Title 23, USCA, all interstate or defense highways are required to be controlled-access type highways approved by the Secretary of Commerce.

The authority of the State of Hawaii under present law, to condemn lands for the construction of controlled-access highways has already been challenged in court. To make certain that the multimillion dollar interstate program will not be obstructed unnecessarily, it becomes imperative that clear and specific authority for the State to acquire lands and construct such controlled-access highways be provided immediately.

SECTION 2. There is hereby added to chapter 111 of Title 15 of the Revised Laws of Hawaii 1955 a new part to be numbered Part IV, and to read as follows:

### **"Part IV. Controlled-Access Facilities**

**Sec. 111-42. Declaration of policy.** The legislature hereby finds, determines and declares that this part is necessary for the preservation of the public peace, health, and safety, and for the promotion of the general welfare.

**Sec. 111-43. Definition of a Controlled-Access Facility.** For the purposes of this part, a controlled-access facility is defined as a public highway especially designed for through traffic, and over, from, or to which owners or occupants of abutting land or other persons have no right or easement or have only a controlled right or easement of access, light, air or view by reason of the fact that their property abuts upon such controlled-access facility or for any other reason.

**Sec. 111-44. Authority to Establish Controlled-Access Facilities.** The Director of Transportation, acting alone or in cooperation with any Federal, or local agency, is hereby authorized to plan, designate, establish, regulate, vacate, alter, realign, widen, improve, maintain, and provide

controlled-access facilities for public use whenever he is of the opinion that traffic conditions, present or future, will justify such special facilities. He may regulate, restrict, or prohibit the use of such controlled-access facilities by the various classes of vehicles or traffic by means of signs and other devices to promote the safe and efficient use of such facilities.

**Sec. 111-45. Design of controlled-access facility and regulation, restriction or prohibition of access.** The Director of Transportation is authorized to so design any controlled-access facility and to so regulate, restrict, or prohibit access as to best serve the traffic for which such facility is intended. In this connection, he is authorized to divide and separate any controlled-access facility into separate roadways by the construction of raised curbing, central dividing sections or other physical separations, or by designating such separate roadways by signs, markers, stripes, and the proper lane for such traffic by appropriate signs, markers, stripes, and other devices.

No person shall have any right of ingress or egress to, from, or across controlled-access facilities to or from abutting lands, except at such designated points at which access may be permitted, upon such terms and conditions as may be specified by the Director of Transportation. Any person who violates this provision shall be subject to the penalty prescribed in Sec. 111-18.

**Sec. 111-46. Acquisition of Property.** For the purposes of this part, the Director of Transportation may acquire for controlled-access facilities and service roads: (a) property, as defined in chapter 8, by gift, devise, or purchase; or (b) property by eminent domain under the provisions of chapter 8.

**Sec. 111-47. New and existing facilities; grade-crossing eliminations.** The Director of Transportation may designate and establish controlled-access highways as new and additional facilities or may designate and establish an existing public highway as included within a controlled-access facility. He shall have the authority to provide for the elimination of inter-sections at grade of controlled-access facilities with existing public highways by grade separation or service road, or by closing off such highways at the right-of-way boundary line of such controlled-access facility; and after the establishment of any controlled-access facility, no highway which is not part of said facility shall intersect the same at grade. No public highway shall be opened into or connected with any such controlled-access facility without the consent and previous approval of the director of transportation. Such consent and approval shall be given only if the public interest shall be served thereby.

**Sec. 111-48. Authority to enter into agreements.** The Director of Transportation is authorized to enter into agreements with the board of supervisors or councilmen, of any county, or with the federal government, respecting the financing, planning, establishment, improvement, maintenance, use, regulations, or vacation of controlled-access facilities or other public highways, to facilitate the purposes of this part.

**Sec. 111-49. Local service roads.** In connection with the development of any controlled-access facility, the Director of Transportation is authorized to plan, designate, establish, use, regulate, alter, realign, widen, improve, maintain, and vacate local service roads and streets or to designate as local service roads and streets any existing public high-

## ACT 4

way, and to exercise jurisdiction over service roads and streets in the same manner as is authorized over controlled-access facilities under the terms of this part, if, in his opinion, such local service roads or streets are necessary or desirable. Such local service roads or streets shall be of appropriate design, and shall be separated from the controlled-access facility proper by means of all devices designated as necessary or desirable by the Director of Transportation.”

SECTION 3. If any section, provision, or clause of this act shall be declared invalid or inapplicable to any person or circumstance such invalidity or inapplicability shall not be construed to affect the portions not so held or persons or circumstances not so affected. All laws or portions of laws inconsistent with the policy and provisions of this act are hereby repealed to the extent of such inconsistency in its application to controlled-access facilities provided for in this act.

SECTION 4. This act shall take effect upon its approval.

(Approved April 21, 1960.) **S.B. 233.**

---

## ACT 4

An Act Relating to Taxation, Amending Chapters 121, 117, 118 and 129, Revised Laws of Hawaii 1955, as Amended.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Subsection (a), Section 121-11, Revised Laws of Hawaii, 1955, as amended, is hereby further amended, by changing “\$400” to “\$600”.

SECTION 2. The part of paragraph 1, subsection (a), Section 117-14, Revised Laws of Hawaii 1955, as amended, setting forth the tax rates, is hereby further amended to read as follows:

“Millers or processors of sugar, raw or refined, two per cent; pineapple canneries (including canning of pineapple juice), two per cent; all other manufacturers, one-half of one per cent.”

SECTION 3. Paragraph 4, subsection (a), Section 117-14, Revised Laws of Hawaii 1955, as amended, which permits certain special computations to be used by taxpayers subject to the maximum rate on manufacturers, is hereby further amended to conform to Section 2 of this Act by deleting the words “two and one-half per cent” and substituting the words “two per cent” therefor.

SECTION 4. Paragraph 1 of subsection (b), Section 117-14, Revised Laws of Hawaii 1955, as amended is hereby further amended to read as follows:

“Upon every person engaging or continuing in the business of selling any tangible personal property whatsoever (not including, however, bonds or other evidence of indebtedness, or stocks), there is likewise hereby levied, and shall be assessed and collected, a tax equivalent to three and one-half per cent of the gross proceeds of sales of the business; provided, that insofar as certain retailing is taxed by section 117-14.6, the tax shall be that levied by section 117-14.6, and in the case of a wholesaler, the tax shall be equal to one-half of one per cent of

the gross proceeds of sales of the business. Upon every person engaging or continuing within this State in the business of a producer, the tax shall be equal to one-half of one per cent of the gross proceeds of sales of the business, or the value of the products, for sale, if sold for delivery outside the State or shipped or transported out of the State."

SECTION 5. The first sentence of Section 117-15, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows: "Anything in Section 117-14 to the contrary notwithstanding, the privilege tax levied, assessed and collected on account of the business or other activities of individuals who have vision in the better eye, with corrective glasses, of less than twenty two-hundredths or a disqualifying field defect sufficient to incapacitate them from self-support, shall not exceed one-half of one per cent of the proceeds, sales, income or other receipts subject to tax."

SECTION 6. Subparagraphs (c) and (d) of Section 117-16, Revised Laws of Hawaii 1955, as amended, is hereby amended to read as follows:

"(c) Where a tire recapper, photo-printer, auto paint shop or the like, renders services upon the order of or at the request of another taxpayer who, by reason of constituting an intermediary between the person rendering such services and the ultimate recipient of the benefits of such services, is required to include the rendering of the same services in the measure of the tax levied on him under subsection (f) of Section 117-14, or levied on him as a retailer of services under Section 117-14.6, so much gross income as is derived from the rendering of such services shall be subjected to a tax on the person rendering such services at the rate of one-half of one per cent and shall be subjected to a tax on the aforesaid intermediary at the rate of three and one-half per cent."

"(d) Where through the activity of a person taxable under subsection (f) of Section 117-14, a product has been milled, processed, or otherwise manufactured upon the order of another taxpayer who is a manufacturer taxable upon the value of the entire manufactured product, which consists in part of the value of the services taxable under subsection (f) of Section 117-14, so much gross income as is derived from the rendering of such services shall be subjected to tax on the person rendering such services at the rate of one-half of one per cent, and the value of the entire product shall be included in the measure of the tax imposed on such other taxpayer as elsewhere provided."

SECTION 7. Subparagraph (b), Section 118-2, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

"If the purchaser is licensed under Chapter 117 and is (1) a retailer or other person purchasing for purposes of resale, not exempted by paragraph (a), or (2) a manufacturer purchasing material or commodities which are to be incorporated by such manufacturer into a finished or saleable product (including the container or package in which the product is contained) wherein it will remain in such form as to be perceptible to the senses, and which finished or saleable product is to be sold at retail in the State, in such manner as to result in a further tax on the activity of the manufacturer in selling such products at retail, or (3) a contractor purchasing material or commodities which are to be incorporated by such contractor into the finished work or project required by the contract and which will remain in such finished

**ACT 5**

work or project in such form as to be perceptible to the senses, the tax shall be one-half of one per cent of the purchase price of such property.”

SECTION 8. Section 129-9, Revised Laws of Hawaii 1955, as amended is hereby further amended by deleting from the third paragraph the words “two and one-half per cent or more” and inserting in lieu thereof the words “two per cent or more”.

SECTION 9. This Act shall take effect on January 1, 1961, and shall affect taxes incurred on or after that date.

(Approved April 21, 1960.) **S.B. 24.**

---

**ACT 5**

An Act Making Appropriations Out of the General Revenues.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. There is hereby appropriated from the general revenues of the State of Hawaii the sum of \$70,000, not otherwise appropriated, or so much thereof as may be necessary, to be expended by the department of accounting and general services for defraying the costs for completing the renovation of the Judiciary building of the State of Hawaii at Honolulu.

SECTION 2. There is hereby appropriated from the general revenues of the State of Hawaii the sum of \$51,000, not otherwise appropriated, or so much thereof as may be necessary for capital improvements, engineering, and research, in the establishment of a diversified crop pilot operation on the island of Molokai, said monies to be expended by the Hawaii Water Authority and the University of Hawaii, with the cooperation of the Hawaiian Homes Commission.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 28, 1960.) **S.B. 3.**

---

**ACT 6**

An Act Amending Section 359(d) and Section 359-13(a), Revised Laws of Hawaii 1955, as Amended, Relating to the Civil Defense and Emergency Act.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this act is hereby declared



to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

In order that the Hawaii civil defense agency may qualify for financial contribution under Public Law 85-606 (72 Stat. 532) all employees of the State and local civil defense agencies, except those specifically exempted by Public Law 85-606, must be appointed through and serviced by an approved merit system.

At present Hawaii fails to satisfy said requirement for the reason that the deputy directors of the Hawaii civil defense agency and their first assistants are exempted from the civil service requirements as set forth in Chapters 3 and 4, Revised Laws of Hawaii 1955, as amended. This act will eliminate that exemption and subject them to the civil service requirements. Failure to enact this amendment may result in the loss of annual Federal contribution to the State and counties of approximately \$75,000. The purpose of this act is to fulfill the requirements of Public Law 85-606.

It is therefore submitted that the consideration of this measure is a matter of urgency and is in the public interest.

SECTION 2. Section 359-3(d), Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“(d) The director shall, with the approval of the county board of supervisors, appoint for each political subdivision a deputy director who may be removed by the director. Deputy directors shall serve without compensation from the State but shall receive such compensation as may be provided by the political subdivision pursuant to Chapter 4, Revised Laws of Hawaii 1955, as amended. Chapter 3, Revised Laws of Hawaii 1955, as amended, shall apply to full-time deputy directors. Part-time deputy directors may hold other office or employment in the State government, or any political subdivision thereof. Each deputy director, subject to the direction and control of the director, shall be the head of all local organizations for civil defense within the political subdivision for which he is appointed.”

SECTION 3. The last sentence of section 359-13(a), Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

“Chapter 3 shall apply to the full-time deputy director or his first assistant.”

SECTION 4. This Act shall take effect upon its approval.

(Approved May 5, 1960.) **S.B. 234.**

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## ACT 7

An Act Relating to the Compensation of the District Magistrate of Lahaina and Lanai, County of Maui.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public

**ACT 8**

interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this Act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

Act 262 of the Session Laws of Hawaii 1959, which was enacted by the last territorial legislature, intended to increase the compensation of the district magistrate of Lahaina and Lanai to \$450 per month, or to grant to the magistrate a salary of \$5,400 per annum. However, due to clerical error in finally drafting the legislation which became said Act 262, the amount of the salary for the district magistrate for Lahaina and Lanai was fixed at \$400 per month and at \$4,800 per annum, rather than at the intended rate of \$450 per month and \$5,400 per annum. Because of such error, the magistrate for Lahaina and Lanai has been paid the sum of \$400 per month ever since the effective date of said Act 262.

Under such circumstances, it would be unreasonable and unjust not to adjust the salary of the district magistrate for Lahaina and Lanai as soon as possible.

SECTION 2. That portion of section 220-6, Revised Laws of Hawaii 1955, as amended, relating to the compensation of the district magistrate of Lahaina and Lanai is hereby further amended to read as follows:

	Per month	Per annum
“District magistrate, Lahaina and Lanai . . .	\$450.00	\$5,400.00”.

SECTION 3. This Act shall take effect as of April 1, 1960.

(Approved May 5, 1960.) **S.B. 245.**

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**ACT 8**

An Act to Amend Section 1 (a), Item 5A (4) of Act 224, Session Laws of Hawaii 1959, Relating to Public Improvements and Financing Thereof.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 1 (a), item 5A (4) of Act 224, Session Laws of Hawaii 1959, is hereby amended to read as follows:

“(4) On Kam IV Road in the vicinity of Kaewai School and Dole Intermediate School, construction of a pedestrian overpass and acquisition of rights of way . . . . . 50,000”.

SECTION 2. This Act shall take effect upon its approval.

(Approved May 9, 1960.) **S.B. 197.**

## ACT 9

An Act to Amend Chapter 178, Revised Laws of Hawaii 1955, Relating to Banks.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the urgency measures deemed necessary in the public interest. Said Section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said Section 11 of Article III of the Constitution of the State of Hawaii, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

1. The State of Hawaii occupies a central and an expanding position in the world and especially in the Pacific Ocean area. Hawaii's increasing stature as a leader in cultural, trade and economic areas justifies expansion of the State Banking System into the world and especially in the Pacific Ocean area to serve the best interests of the State and its citizens.

2. The Hawaii Bank Act is silent as to whether the Treasurer may authorize and supervise the operation of branch banks located out of the State. The uncertainty of the breadth of the Treasurer's powers impedes the establishment of branches in the world and the Pacific Ocean area by banks which are subject to the provisions of the Hawaii Bank Act.

3. Other major States provide such specific authority and supervision. As a result, mainland banking centers "leap-frog" Hawaii to establish positions of prominence in the Western Pacific.

4. Our military services, who make up from 25% to 30% of Hawaii's economy, find the Hawaiian Banking System unable to service their needs beyond the State boundaries except to a very limited extent.

5. Hawaiian and mainland contractors, engaged in the tremendous building program underway in the Trust Territory, deposit funds with mainland banking systems, such funds ultimately aiding in the growth of those mainland areas.

6. Prominent mainland firms doing business west of Hawaii are obliged to maintain their home banking facilities, rather than those of America's most Western State.

7. Hawaii's labor force in Pacific areas "bank-by-mail" because no local facility is available to them.

8. The development of banking facilities in the world and the Pacific Ocean area by State banks will aid commerce between Hawaii and the dependencies and insular possessions of the United States, and between Hawaii and other countries, and thereby adding to the economic well being of the State and its people. Delay in the enactment of appropriate legislation may result in loss of existing opportunities for the establishment of such banking facilities.

9. The United States government will be spending approximately \$150,000,000 in projects in the Trust Territory in the immediate future.

The deposit of a portion of these monies in Hawaiian branch banks will mean more mortgage money being available to borrowers in Hawaii. Unless this measure becomes law, Hawaiian banks may not be able to locate branch banks in these areas with the result that these monies will go to mainland areas.

SECTION 2. Chapter 178, Revised Laws of Hawaii 1955, is amended by adding thereto, immediately after Section 178-39, a new section to be numbered 178-39.5, and to read as follows:

**"Sec. 178-39.5. Establishment of branches outside of the State.** (a) Any bank having a combined capital and surplus of \$1,000,000 or more may establish branch banks in other countries or in dependencies or insular possessions of the United States, upon such conditions and under such regulations as may be prescribed by the treasurer. The term 'out-of-state branch bank', as used in this section, refers to any branch bank so established.

"(b) The treasurer may at any time make a special examination of any out-of-state branch bank and may at any time require the discontinuance of any out-of-state branch bank. The bank maintaining the branch shall pay for the cost of all examinations, including both annual and special examinations.

"(c) The accounts of each out-of-state branch bank shall be maintained independently of the accounts of each other out-of-state branch bank, and independently of the accounts of the domestic offices and branches of the bank. On June 30 and December 31 of each year the bank shall transfer to its general ledger at its head office the profit and loss from each out-of-state branch bank as a separate item.

"(d) The total investment of a bank in all out-of-state branch banks maintained by it shall not exceed 10 percent of its capital and surplus.

"(e) A bank may act as the fiscal agent of the United States through any out-of-state branch bank maintained by it.

"(f) A petition to establish an out-of-state branch bank shall be accompanied by a fee of \$100 for each out-of-state branch bank sought to be established and in addition the Treasurer may assess the bank the actual necessary expenses incurred in making the investigation necessary to determine the necessity of establishing an out-of-state branch bank to a sum not exceeding \$1,000.00.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 9, 1960.) **S.B. 237.**

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## ACT 10

An Act to Amend Item (8) Paragraph A, Section 3 (a) of Act 224, Session Laws of 1959 of the Thirtieth Legislature, Territory of Hawaii, Relating to Appropriation for Leilehua High School.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Item (8) paragraph A, Section 3 (a) of Act 224, Session Laws of 1959 of the Thirtieth Legislature, Territory of Hawaii, is hereby amended to read as follows:

“(8) Leilehua High School, repair and installation of bleachers and planning and construction of comfort station at athletic field..\$60,000”.

SECTION 2. This Act shall take effect upon its approval.

(Approved May 10, 1960.) **S.B. 32.**

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## ACT 11

An Act to Amend Act 210, S. L. H. 1955, Relating to the Issuance of Bonds by the City and County of Honolulu for Park and Playground Purposes.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said section 11 of Article III of the constitution of the State of Hawaii, this Act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

“That the rapid housing developments in the City and County of Honolulu without inclusion of adequate parks and playgrounds for the safety of children necessitate in the best public interest and welfare a continuing park and playground development program by authorizing the Board of Supervisors (Council) of the City and County of Honolulu to transfer funds allotted for authorized projects, wholly or in part, for other similarly authorized projects, or other projects proposed by the Department of Parks and Recreation of the City and County of Honolulu.”

SECTION 2. Act 210, S. L. H. 1955, is hereby amended by amending Section 2 thereof by changing the colon after the word “purpose” in the second line to a semicolon and by inserting after such semicolon the following proviso:

“provided, however, that the Board of Supervisors (Council) is hereby authorized to transfer any part of the funds herein allotted for any project hereinafter enumerated, for other park and playground projects proposed by the Department of Parks and Recreation:

(a) If any such project for which funds have been allotted is deleted from the Master Plan (General Plan) of the City and County of Honolulu; or

(b) If the Board of Supervisors (Council) finds that the construction of any such project for which funds have been allotted is not economically feasible because of the insufficiency of the allotted funds; or

(c) If after the completion of any such project for which funds have been allotted there remains an unexpended balance in the funds allotted for said project.”

SECTION 3. This Act shall take effect upon its approval.

(Approved May 10, 1960.) **S.B. 212.**

**ACT 12**

An Act Relating to Partial Non-Exempt Use of Real Property Otherwise Exempted from Real Property Taxes, and Relating to the Effect of Such Use Upon Such Taxation.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 128-19 (a) Revised Laws of Hawaii 1955 is hereby amended to read as follows:

“(a) The use of any portion of the land (not including land under a building) or the use of any portion of a building (including the land thereunder) which might otherwise be exempted under section 128-18, for commercial or other purposes not within the conditions necessary for such exemption but related functionally and logically to the use upon which a claim for exemption under section 128-18 would be based (including any use, the primary purpose of which is to produce income, even though such income is to be used for or in furtherance of the exempt purposes), shall not deprive the remaining portion of land or of the building of such exemption, provided such remaining portion is used exclusively for purposes which fulfill the conditions of such exemption.”

SECTION 2. This Act shall take effect upon its approval but shall be retroactive to the first day of January, 1960.

(Approved May 10, 1960.) **S.B. 41.**

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**ACT 13**

An Act Relating to the Proceedings of the Constitutional Convention Providing for Preparation, Printing, Sale and Distribution and Other Matters in Respect Thereof.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said Section 11 of Article III of the Constitution of the State of Hawaii, the act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

1. The proceedings of the Hawaii State Constitutional Convention of 1950 are now in the process of being published in two volumes under the direction of Miss Agnes C. Conrad, archivist. Volume I is expected to be published by the end of March 1960 and Volume II is expected to be published by November, 1960. The funds for such publication have been made available by the Joint Legislative Committee of the 30th Legislature.

2. The matter of having the proceedings before the Constitutional Convention in printed form is necessary since it will assist in inter-

preting the provisions of the Hawaii State Constitution without having to bring in the original of all source materials from time to time. The proceedings of the Constitutional Convention have already been utilized in a case pending before the Supreme Court of Hawaii by stipulation of the parties and it is anticipated that it will be of value in other proceedings before the court as well as assisting government agencies and the people of Hawaii in determining the intent of the Constitutional provisions.

3. The publication of the two volumes will permit a wider dissemination of the proceedings of the Constitutional Convention, as well as eliminate the necessity of having the originals of all source materials used in all instances.

4. Therefore before the proceedings of the Constitutional Convention is printed and disseminated it is necessary to have the legislature authorize someone to print and publish said proceedings. The legislature therefore is of the opinion that a certification by a responsible official, in this case the public archivist, that the two volumes were printed and published under the archivist's direction should be attached to the two volumes.

5. This act will also authorize the distribution of said publication to certain government agencies for official use without charge and to authorize the sale thereof to the public.

SECTION 2. The preparation, printing, sale and distribution of the proceedings of the Hawaii State Constitutional Convention of 1950 shall be done under the direction of the archivist of the public archives, as provided in section 3 of this act.

SECTION 3. Such proceedings shall be printed in two volumes. Volume I shall consist of several sections, which shall include the daily journal of the convention and other matters here set out.

Section A of Volume I shall consist of all parts of the journal except the portions included in sections B or D.

Section B of Volume I shall include the resolutions, committee reports and committee proposals, messages, communications and petitions appearing in the journal.

Section C of Volume I shall consist of a digest of proposals offered by delegates, and tables showing disposition and legislative history.

Section D of Volume I shall set out Act 334 of the Session Laws of 1949 under which the convention was convened, the rules of the convention, and the Constitution as agreed upon by the delegates and adopted by the people on November 7, 1950, together with the changes made by the plebiscite of June 27, 1959.

Volume II shall consist of the debates of the Committee of the Whole, as transcribed from the tape recordings under the supervision of the archivist and assembled by subject matter, together with a table of contents and index.

The two volumes, having been prepared and printed in accordance with the provisions of this act, shall be certified by the archivist as having been so prepared and printed.

SECTION 4. The sale of the publication shall be at a charge of \$20 per set; however, government agencies shall receive this publication for

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official use without cost. Moneys received from the sale of this publication shall be deposited in the general fund of the State.

SECTION 5. This act shall take effect upon its approval.

(Approved May 10, 1960.) S.B. 236.

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ACT 14

An Act Amending Act 245, Session Laws of Hawaii 1959, Relating to Requirements of Bidding of All Licenses, Permits, Leases and Other Agreements Whereby a Governmental Agency Rents to Private Persons the Right to Operate Concession for Profits.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This Act is hereby declared to be an urgent measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of facts constituting such urgency and necessity. Prior to passage of Act 245, Session Laws of Hawaii 1959, government agencies were empowered to grant by private negotiation concessions for profit on government land to private persons. For example, the Hawaii Aeronautics Commission granted concession rights to approximately fifty ground operators (taxi operators) at the several airports. In each instance the number of such concessions or concession spaces was determined by the need therefor. Act 245, Session Laws of Hawaii 1959, by requiring that all such concessions or concession spaces be awarded by bid, deprives most of the incumbent concessionaires from having their licenses, leases or contracts renewed, however worthwhile their performances may be. Moreover, there is danger that such a system of awarding all concessions or concession spaces by bid could result in a monopoly. Such effects were not intended by the Legislature. The purpose of this Act is to limit the requirement of bidding only to exclusive concessions and concession spaces, thereby protecting the livelihood of the many people whose licenses or contracts with said government agencies have already expired or will soon expire, and who would not be able to otherwise compete for such concessions or concession spaces.

SECTION 2. Section 1 of Act 245, Session Laws of Hawaii 1959, is hereby amended to read as follows:

"No concessions or concession space to sell goods, wares, merchandise and services or to operate restaurants, cocktail lounges, soda fountains and parking areas in any building or on any land owned or under the jurisdiction of the State or any county or any independent board, commission, bureau or agency of the State or of the various counties, except concessions or space for taxi or other ground transportation services at airports other than Honolulu International Airport, concessions or space for lei vendors, airline operations and coin operated vending machines, but not including coin operated insurance vending machines, and except also concessions or space set aside without any charge or for the use of handicapped persons, or blind persons or any



department, bureau, organization or municipal or political subdivision of the federal, state, municipal or county governments, shall be leased, rented out, let, assigned or disposed of either by contract, lease, license, permit or any other arrangement to any private person, firm, or corporation, except under contract let after public advertisement for sealed tenders, in the manner provided by law.”

SECTION 3. This Act shall take effect upon its approval.

(Approved May 10, 1960.) S.B. 240.

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## ACT 15

An Act Relating to Public Lands Amending, Re-enacting and Ratifying Act 40 and Joint Resolution 21 of the 30th Territorial Legislative Session of 1959.

WHEREAS, section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest; and

WHEREAS, said section further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house; and

WHEREAS, it is the intention of the legislature to enact this as an urgency measure pursuant to said section 11 of Article III; now, therefore,

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

This Act is to amend and as amended to re-enact and ratify and confirm Act 40 and J. R. 21 of the 30th Territorial Legislative Session.

It is to the economic and social interest of the State of Hawaii to preserve and promote the diversified agricultural industry. This purpose can be best accomplished by the utilization of certain state lands which are suited for diversified agriculture. Current programs of the Office of Commissioner of Public Lands and its successor Department of Land and Natural Resources include the improvement and development of certain state lands for these purposes. Said lands will be improved and ready for use by qualified farmers before the next session of the Legislature of the State of Hawaii. With the tremendous increases in population and urban pressures, it is essential that the state maintain current

ACT 16

level of agricultural production and increase such level whenever possible. It is also in the interest of the people that state lands not be used for speculative purposes.

The re-enacted Act and Joint Resolution will allow the development of state lands by methods and at prices which will most effectively promote the economic and social interests of the people and of the diversified agricultural industry and at the same time, prevent speculation.

SECTION 2. Act 40 and J. R. 21 of the 30th Territorial Legislative Session of 1959 are hereby amended by deleting the words "land commissioner", "commissioner of public lands" or "public lands commissioner" wherever they appear in said Act and Joint Resolution and insert in lieu thereof, the words "department of land and natural resources" and that said Act 40 and J. R. 21, as so amended, are hereby re-enacted, ratified and confirmed, and made a part of the laws of the State of Hawaii.

SECTION 3. Any other provision of law to the contrary notwithstanding, if a purchaser or lessee of any public land acquired under the provisions of this Act should subdivide, develop or utilize such lands for a use other than the purpose for which such lands were issued, the State may re-acquire the right, title and interest in and to such land by the payment to the purchaser or lessee a fair market value of the land and improvements thereon but excluding the value of the crops thereon, as of the date of such re-acquisition, which fair market value shall be based upon the agricultural use of such land.

SECTION 4. The aforementioned fair market value shall be determined by two (2) independent appraisers, one of whom shall be selected by the purchaser or lessee and the other by the State; provided, however, should the appraisers fail to agree upon a fair market value, then the determination of fair market value shall be made by arbitration as provided for under Chapter 188, Revised Laws of Hawaii 1955, as amended from time to time. Each party selecting an appraiser shall pay for the cost of such appraisal. Should there be a third appraiser selected, then, the State and the purchaser or lessee shall bear the cost of such third appraisal equally.

SECTION 5. Any other law in conflict in whole or in part with this Act is hereby amended and repealed to conform hereto.

SECTION 6. If any section or provision of this Act shall be deemed invalid, such invalidity shall not affect the remaining sections or provisions of this Act.

SECTION 7. This Act shall take effect upon its approval.

(Approved May 10, 1960.) **S.B. 241.**

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ACT 16

An Act Relating to the Reorganization of the Cafeteria System in the Department of Education.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the

State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this Act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

A recent survey of the cafeteria operations of the Department of Education indicated that the system could be improved in several areas. The findings made by Donaho and Associates, who were retained by the Bureau of the Budget to make a study, indicated that the cafeteria special funds should be abolished, that a division of cafeterias should be created in the Department of Education and that the duties of the division should be defined by law.

This study and recommendations made as a result of the study should be implemented as soon as possible. The deficiencies of the cafeteria system, if any exists, should be corrected during the present session of the legislature if the public welfare is to be served.

SECTION 2. All moneys received by or for the public school cafeterias from the sale of meals, the sale of services, or from the Federal Government or from any other source shall be deposited in one special school lunch fund; and except as otherwise provided by the legislature, all expenditures for the operation of public school cafeterias shall be made from this fund.

SECTION 3. Any balance in any existing individual school cafeteria fund shall be transferred to the special school lunch fund on the effective date of this Act.

SECTION 4. It is the intent of this Act not to jeopardize the receipt of any federal aid and to the extent, and only to the extent necessary to effectuate this intent, the governor is authorized and empowered to modify the strict provisions of this Act, but shall promptly report any such modification with his reasons therefor to the next succeeding session of the legislature for review.

SECTION 5. For the fiscal year 1960-1961, in the absence of sufficient legislative appropriations for the cafeteria special fund as provided under Section 2 of Act 320, Session Laws of Hawaii 1957, the department shall be authorized to expend so much as is deemed necessary to carry out the purposes of the cafeteria special fund as approved by the director of the Department of Budget and Review; provided, that such expenditures shall not exceed the legislative appropriations and the moneys available in the special fund.

SECTION 6. The governor may create a division within the Department of Education to carry out the cafeteria functions and programs.

SECTION 7. This Act shall take effect as of July 1, 1960.

(Approved May 10, 1960.) **S.B. 244.**

**ACT 17**

An Act Amending Section 178-67, Revised Laws of Hawaii 1955, as Amended, Pertaining to Investments by Banks in Other Corporations.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

The 1957 Territorial Legislature authorized the establishment of Business Development Corporations to enhance the economy of the State by the creation of new industries and jobs. Since no corporations have yet been formed under said legislative authority, and inquiry was made into the reason for such failure and it was determined that the principal cause was that section 178-67 of our laws prohibits banks from investing in Business Development Corporations. As there is an urgent need for immediately increasing the economy of the State of Hawaii, it is urgent that legislation be immediately passed to authorize the banks to invest in these corporations so as to also take advantage of Federal aid.

SECTION 2. Section 178-67, Revised Laws of Hawaii 1955, as amended, is further amended by adding thereto a new subparagraph to be designated and to read as follows:

"(h) In small business investment companies operating under the Federal Small Business Investment Act of 1958."

SECTION 3. This Act shall take effect upon its approval.

(Approved May 10, 1960.) **S.B. 247.**

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**ACT 18**

A Bill for An Act Making Appropriations Out of the General Revenues for the Fiscal Period Ending June 30, 1961.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The following sums, or so much thereof as shall be sufficient to accomplish the purpose or programs designated by the appropriations, are hereby appropriated for the fiscal period beginning July 1, 1960 and ending June 30, 1961, out of moneys in the treasury from general revenues:

**ECONOMIC DEVELOPMENT AND NATURAL RESOURCES****AGRICULTURE AND CONSERVATION, DEPARTMENT OF**(233.25)  
1,718,511

General Administration			
Total Requirement .....	133,455	(18)	
Less Estimated:			
Act 255/59 .....	11,900		
Net Appropriation .....			(18) 121,555
Animal Industry			
Administration .....	42,141	(6)	
Livestock Disease Control .....	100,495	(9)	
Veterinary Laboratory .....	62,397	(7)	
Inspection and Quarantine .....	147,900	(22.5)	
Meat Inspection .....	169,055	(22)	
Meat Grading .....	15,000		
Total Requirement .....	536,988	(66.5)	
Less Estimated:			
Act 255/59 .....	33,000		
Special Fund .....	85,400	(9.5)	
Net Appropriation .....			(57) 418,588
Entomology and Marketing			
Administration .....	44,404	(7)	
Plant Quarantine and Inspection .....	169,162	(26.75)	
Pest Control .....	104,456	(13)	
Agriculture and Marketing			
Inspection .....	192,034	(28.25)	
Total Requirement .....	510,056	(75)	
Less Estimated:			
Act 255/59 .....	39,000		
Act 265/59 .....	56,078	(12.5)	
Act 267/59 .....	5,575	(1)	
Net Appropriation .....			(61.5) 409,403
Provided, that in the agriculture and marketing program, the one position granted shall serve as a full-time produce inspector for the Waimea-Kona area.			
Fish and Game			
Administration .....	42,148	(6)	
Law Enforcement .....	137,199	(18)	
Fisheries Research and Management .....	150,164	(18)	
Wildlife Research and Management .....	140,213	(21.5)	
Total Requirement .....	469,724	(63.5)	
Less Estimated:			
Act 255/59 .....	34,600		
Act 265/59 .....	70,861	(1)	
Federal Fund .....	140,003	(29.75)	
Net Appropriation .....			(32.75) 224,260
Forestry			
Administration .....	89,080	(12)	
Forest Protection .....	206,412	(32.5)	
Contract—Personal Services and			
Tree Planting .....	172,075		
Nursery Operation .....	85,594	(19)	
Watershed Use Study .....	14,500		
Research and Zoning .....	33,868	(3)	
Timber Testing .....	20,716		
Total Requirement .....	622,245	(66.5)	

ACT 18

Less Estimated:		
Act 255/59 .....	37,500	
Act 265/59 .....	21,888	
Federal Fund .....	20,752(2.5)	(64)
Net Appropriation .....		542,105

Provided, that in the contract—personal services and tree planting program, the department shall first attempt to obtain the services of six foresters from the United States forest service. The department may also contract for the services of a draftsman.

Hawaii Soil Conservation	
Net Appropriation .....	2,600

ECONOMIC DEVELOPMENT, DEPARTMENT OF (10)  
1,890,566

Administration		
Total Requirement .....	116,307(10)	
Less Estimated:		
Act 255/59 .....	3,586	(10)
Net Appropriation .....		112,721
Contract for Economic Analysis Studies		
Net Appropriation .....		25,000
Century 21 Exposition Study		
Net Appropriation .....		10,000
Neighbor Island Economic Development Program		
Net Appropriation .....		75,000
Product Promotion		
Net Appropriation .....		14,000
Farm Loan Administration		
Total Requirement .....	831,746	
Less Estimated:		
Special Fund Farm Loan Reserve Fund .....	6,413	
Special Fund Farm Loan Revolving Fund .....	276,416	
Net Appropriation .....		548,917
Hawaii Visitors Bureau		
Total Requirement .....	1,604,928	
Less Matching Funds .....	500,000	
Net Appropriation .....		1,104,928

Provided, that in the Economic Analysis Studies program, the sum of \$25,000 shall be used for special research projects that may be requested by the Board of Economic Development and agreed to by the Director.

Provided further, that in the Century 21 Exposition program, the sum of \$10,000 shall be matched in full by funds from private sources and if the sum of \$20,000 is obtained, it shall be used to study the feasibility of, and prepare plans for Hawaii's participation in the Century 21 Exposition at Seattle.

Provided further, that in the neighbor island development program, the sum of \$25,000 shall be made available to the county economic development committees of Hawaii, Maui and Kauai.

Provided further, that the terms of the contract with the Hawaii Visitors Bureau shall be negotiated by the Department of Economic Development with the aid of the county advisory committees; and provided further, that such contract shall include a requirement that not more than three-fourths of the general appropriation shall be made available to the Hawaii Visitors Bureau until the State funds are matched with \$500,000 of private funds.

LAND AND NATURAL RESOURCES, DEPARTMENT OF

(106)  
1,027,824

Office of the Director		
Director's Office .....	324,886	(35)
Highway Management .....	15,600	(1)
Bauxite Mining Study .....	25,559	
Total Requirement .....	366,045	(36)
Less Estimated:		
Act 255/59 .....	18,186	
Act 265/59 .....	15,600	(1)
Joint Resolution 30/57.....	12,559	
		(35)
Net Appropriation .....		319,700

Provided, that \$25,000 shall be used to contract for the services of two acquisition and disposition analysts, \$12,456 shall be used to contract for the services of a military lands analyst and a stenographer, \$12,600 shall be used to contract for the services of two ranger-inspectors, and \$25,000 shall be used for the investigation of disputed land titles.

Division of Hydrography		
Total Requirement .....	382,046	(39)
Less Estimated:		
Act 255/59 .....	1,896	
Special Fund .....	12,400	
Federal Fund .....	191,023	(36)
		(3)
Net Appropriation .....		176,727

Bureau of Conveyances		
Total Requirement .....	255,225	(42)
Less Estimated:		
Act 255/59 .....	19,251	
		(42)
Net Appropriation .....		235,974

Hawaii Water Authority		
Water Resources Studies.....	155,794	(10)

Supplementation of Hawaii Water Authority Revolving Fund		
Waimanalo Irrigation System.....	69,168	
Waimea Irrigation System.....	16,304	
Total Requirement .....	241,266	(10)
Less Estimated:		
Act 255/59 .....	10,599	
Special Fund .....	39,250	
		(10)
Net Appropriation .....		191,417

Provided, that \$90,000 shall be used for a state-wide exploratory well drilling program.

Provided further, that the appropriation supplementing the Hawaii Water Authority Revolving fund shall be reduced to the extent that the actual receipts of this special fund shall exceed the estimated sum of \$39,250 for the fiscal year 1960-1961.

State Parks Administration		
Total Requirement .....	119,381	(16)
Less Estimated:		
Act 255/59 .....	7,300	
Act 265/59 .....	8,075	
		(16)
Net Appropriation .....		104,006

Provided, that \$8,664 shall be used to contract for the services of a planner.

ACT 18

PLANNING AND RESEARCH, DEPARTMENT OF (16)  
152,424

Total Requirement ..... 161,888(16)  
 Less Estimated:  
 Act 255/59 ..... 9,464

Net Appropriation ..... (16)  
152,424

Provided, that \$10,000 shall be used for plans and research required by the Legislature.

TRANSPORTATION, DEPARTMENT OF

Small Boat Harbor  
 Total Requirement ..... 219,583(9)  
 Less Estimated:  
 Act 265/59 ..... 219,583(9)  
 Net Appropriation .....

EDUCATION

EDUCATION, DEPARTMENT OF (6367)  
30,646,560

General Administration

State ..... 3,395,295(53)  
 District ..... 248,085(32)  
 Total Requirement ..... 3,643,380(85)  
 Less Estimated:  
 Act 255/59 ..... 74,193  
 Federal Fund  
 P.L. 815 ..... 3,000,000  
 P.L. 864 ..... 25,885

Net Appropriation ..... (85)  
543,302

General Education

State Supervision ..... 389,389(38)  
 District Supervision ..... 299,068(32)  
 Overhead School Staff ..... 4,526,195(745.5)  
 Kindergarten ..... 2,328,250(449)  
 Grades 1-12 (Including  
 Vocational Subjects) ..... 22,166,944(4082)  
 Teachers Off-Ratio ..... 717,333(135)  
 Substitute Teachers and  
 Other Compensation ..... 340,025  
 Classroom Supplies, Equipment,  
 Books ..... 2,020,750  
 Current Expenses, Supplies  
 and Equipment for  
 Vocational Subjects ..... 317,100  
 Audio-Visual ..... 30,100(6)  
 Audio-Visual Supplies ..... 106,804  
 School Lunch Service ..... 2,090,787(190)  
 School Health Service ..... 46,000(4)  
 School Social Work ..... 130,242(22)  
 Guidance and Test Service ..... 139,392(11)

Total Requirement ..... 35,648,379(5714.5)

Less Estimated:  
 Act 255/59 ..... 5,116,877  
 Act 211/59 ..... 15,610  
 Act 256/59 ..... 25,800  
 Act 196/59 ..... 130,193

Federal Fund  
 Vocational Education Fund... 87,177(6)  
 P.L. 864 ..... 233,923  
 P.L. 874 ..... 2,880,000  
 National School Lunch..... 300,000



Special Milk Program.....	134,000	(5708.5)
Net Appropriation .....		26,724,999

Provided, that in the current expenses, supplies and equipment for vocational subjects program, the sum of \$10,000 shall be used for the farm program at Molokai High School and the sum of \$8,000 shall be used for conducting evening classes for young farmers.

Provided further, that any excess of funds in the substitute teachers and other compensation program shall not be transferred to any other program but shall lapse into the general fund.

Provided further, that the two positions formerly in the Occupational Information office shall be transferred to Guidance and Test Service.

Provided further, that there shall be no transfer of positions from the School Social Work program.

The above appropriation for the school lunch service program includes \$650,000 to supplement the salary requirements for cafeteria workers, including those employed at the Technical Schools.

Special Education		
Exceptional Children .....	574,021(100)	
Mentally Retarded Program.....	77,350(17)	
Diamond Head School for		
Deaf and Blind .....	239,078(37)	
Institutional and Hospital Schools...	202,859(31)	
Technical Schools .....	1,133,235(126)	
Lahainaluna Boarding Department		
and School Farm .....	96,916(5)	
Adult Education .....	292,379(18)	
Total Requirement .....	2,615,838(334)	
Less Estimated:		
Act 255/59 .....	282,953	
Special Fund .....	138,731	
Federal Fund		
Vocational Education Fund...	114,854(7)	
P.L. 864 .....	45,290	
Veterans' Administration ....	5,500(1)	

Net Appropriation .....		(326)
		2,028,510

Provided, that within the appropriation to exceptional children, ten new gifted teachers are included. Provided further, that under the exceptional children program no more than seventy-one teachers shall be used for the mentally retarded to provide for twelve additional classes for the educable and eleven additional classes for the trainable.

Provided further, that the State shall, with the funds made available above under the Technical School program, pay for all costs of utilities and maintenance. Provided further, that the sum of \$15,000 as provided in the Technical School program shall be made available to the Kauai Technical School for training the residents on Kauai in the arts of garment manufacturing, wood carving and hotel and restaurant training. The residents of Kauai who will be unemployed due to the closing of the pineapple cannery at Kapaa shall have first preference in such training program.

Provided, that if a sum less than \$2,880,000 is provided by the Congress under the provisions of Public Law 874, then the difference between \$2,880,000 and the sum so provided is hereby appropriated; and provided further, that if a sum greater than \$2,880,000 is provided then this appropriation shall be reduced to the extent the estimated sum of \$2,880,000 is exceeded for the fiscal year 1960-1961.

Provided, that if a sum less than \$305,098 is provided by the Congress under the provisions of Public Law 864, then the difference between \$305,098 and the sum so provided is hereby appropriated; and provided further, that if a sum greater than \$305,098 is provided then this appropriation shall be reduced to the extent the estimated sum of \$305,098 is exceeded for the fiscal year 1960-1961.

ACT 18

<b>Vocational Rehabilitation</b>		
Vocational Rehabilitation .....	298,530(20)	
Industrially Disabled .....	16,697(1)	
Disability Determination .....	35,962(5)	
Independent Living .....	175,354(2)	
Work Training Center.....	120,000(12)	
<b>Total Requirement .....</b>	<b>646,543(40)</b>	
Less Estimated:		
Act 255/59 .....	4,850	
Special Fund .....	6,714	
Federal Fund .....	419,164(6)	
		(34)
<b>Net Appropriation .....</b>		<b>215,815</b>

<b>Libraries</b>		
Library of Hawaii.....	935,101(161.5)	
Hawaii County Library.....	155,224(24.7)	
Maui County Free Library.....	145,034(25.5)	
Kauai Public Library Association...	128,797(22.94)	
<b>Total Requirement .....</b>	<b>1,364,156(234.64)</b>	
Less Estimated:		
Act 255/59 .....	94,565	
Special Fund .....	69,337(15.34)	
Federal Fund .....	66,320(5.8)	
		(213.5)
<b>Net Appropriation .....</b>		<b>1,133,934</b>

**UNIVERSITY OF HAWAII** (952.06)  
6,076,442

<b>Administration</b>		
General Administration .....	247,795(30.5)	
Resources and Development Office..	15,124(3)	
Student Welfare .....	265,815(37)	
Central Services .....	222,756(31.12)	
Other Activities .....	19,832(1)	
<b>Total Requirement .....</b>	<b>771,322(102.62)</b>	
Less Estimated:		
Act 255/59 .....	77,028	
Special Fund .....	161,464	
Federal Fund .....	10,032(3)	
		(99.62)
<b>Net Appropriation .....</b>		<b>522,798</b>

Provided, that in the general administration program the sum of \$12,528 shall be used to contract for the services of a Director of Institutional Research and a clerk.

<b>East-West Cultural Center</b>		
		(3)
<b>Net Appropriation .....</b>		<b>124,094</b>

Provided, that this appropriation shall become available when the Congress of the United States establishes the East-West Cultural Center.

<b>Resident Instruction</b>		
Instruction and Deans Offices .....	3,714,474(444.8)	
Summer Session .....	360,000(3.25)	
Special Services .....	54,343(4.75)	
<b>Overseas Operations and Asian Studies .....</b>	<b>49,625(6)</b>	
<b>Total Requirement .....</b>	<b>4,178,442(458.8)</b>	
Less Estimated:		
Act 255/59 .....	697,733	
Special Fund .....	1,273,055(147.7)	
Federal Fund .....	92,493	
		(311.1)
<b>Net Appropriation .....</b>		<b>2,115,161</b>

Hilo Campus			
Total Requirement	170,678(23)		
Less Estimated:			
Act 255/59	21,850		
Special Fund	42,016(4)		
		(19)	
Net Appropriation		106,812	
College of General Studies			
Total Requirement	358,102(17)		
Less Estimated:			
Act 255/59	11,365		
Special Fund	285,095(8)		
		(9)	
Net Appropriation		61,642	
Organized Activities Related to Instruction			
Laboratory Schools	403,378(53)		
Teacher Training	53,350		
Military Commutations	29,984(1)		
Total Requirement	486,712(54)		
Less Estimated:			
Act 255/59	81,307		
Special Fund	66,351(7.75)		
Federal Fund	29,984(1)		
		(45.25)	
Net Appropriation		309,070	
General Organized Research			
Hawaii Marine Laboratory	30,310(3)		
Romanzo Adams Research			
Laboratory	12,734(2)		
Industrial Relations Center	16,876(2.5)		
Faculty Research Committee	17,822(.5)		
Hawaii Institute of Geophysics	42,859(3.5)		
Special Research Contract	400,400		
Economic Research Center	49,050(6)		
Total Requirement	570,051(17.5)		
Less Estimated:			
Act 255/59	7,045		
Special Fund	36,400		
Federal Fund	364,000		
		(17.5)	
Net Appropriation		162,606	
Various Public Services			
Aquarium	80,850(11.75)		
Harvard Advanced Management			
Program	67,600(1)		
Land Study	107,082(10)		
Legislative Reference Bureau	126,626(12.5)		
Philosophy East-West	5,035		
Press Revolving Fund	26,187		
Pacific Science	8,524		
Total Requirement	421,904(35.25)		
Less Estimated:			
Act 255/59	33,282		
Special Fund	114,822(4)		
Federal Fund	4,784		
		(31.25)	
Net Appropriation		269,016	
Library			
Total Requirement	366,423(44.5)		
Less Estimated:			
Act 255/59	24,936		

ACT 18

Special Fund .....	109,277	
Net Appropriation .....		(44.5) 232,210
Operations and Maintenance of Physical Plant		
Buildings .....	701,968(98)	
Grounds .....	126,667(28)	
Campus Security .....	35,113(8)	
Total Requirement .....	863,748(134)	
Less Estimated:		
Act 255/59 .....	59,177	
Special Fund .....	66,204	
Net Appropriation .....		(134) 738,367
Hawaii Agricultural Experiment Station		
General Activities .....	1,135,653(152.63)	
Food Processing and Utilization		
Laboratory .....	45,732(5.5)	
Bauxite Reclamation .....	9,273(1)	
East Hawaii Branch Station.....	101,769(16)	
Kauai Branch Station.....	100,000(12)	
Total Requirement .....	1,392,427(187.13)	
Less Estimated:		
Act 255/59 .....	154,380	
Special Fund .....	58,000	
Federal Fund .....	287,515(29.44)	
Net Appropriation .....		(157.69) 892,532

Provided, that in the General Activities program, the sum of \$2,500 shall be used for research on coffee picking and the separation of ripe from green berries by using electronic or other means.

Agricultural Extension Service		
Total Requirement .....	933,606(115.29)	
Less Estimated:		
Act 255/59 .....	129,113	
Federal Fund .....	262,359(35.14)	
Net Appropriation .....		(80.15) 542,134

Provided, that in the Agricultural Extension Service program, the sum of \$9,840 may be used to contract for the services of one agricultural engineer.

The amount of the appropriation necessary to match allotments made by the United States Government for agricultural extension service and agricultural experiment station operations shall be payable to the University of Hawaii in total, by single warrant, or by several warrants, representing periodical allotments, but only if this is a necessary condition for receiving such Federal allotments. Such disbursements matching the allotments may be regularly audited by the Federal Auditor and shall be subject to the same limitations as the character of expenditures of the Federal Funds which they offset.

Any other law to the contrary notwithstanding, no portion of the funds appropriated by this Act for the University of Hawaii, or collected or received by the University from its students or from the United States, or of any other funds under the control of its board of regents, shall be expendable for the reimbursement to the State for the amount payable by the State to cover the liability of the State to the various funds of the Employees' Retirement System or account of the employees of the University, nor shall any law providing for such reimbursement be deemed applicable to the University, except that this exemption shall not apply to Auxiliary Enterprise funds and other funds which have not been netted in deriving the net appropriation of the University.

Provided further, that the provisions of Section 12 of this Act shall not apply to the University of Hawaii.

**HEALTH AND SOCIAL SERVICES**

(1404.1)  
7,636,243

**HEALTH, DEPARTMENT OF**

<b>General Administration</b>		
President's Office .....	38,794(4)	
Business Office .....	103,354(18)	
Personnel Office .....	23,171(4)	
Institutions Director's Office.....	60,996(8)	
Total Requirement .....	226,315(34)	
Less Estimated:		
Act 255/59 .....	20,693	
Federal Fund .....	26,226(5)	(29)
Net Appropriation .....		179,396
<b>Dental Health</b>		
Administration .....	18,530(2)	
Treatment .....	254,861(44)	
Total Requirement .....	273,391(46)	
Less Estimated:		
Act 255/59 .....	38,268	
Federal Fund .....	800	(46)
Net Appropriation .....		234,323
<b>Hospitals and Medical Care</b>		
Administration .....	31,097(3.5)	
Hospital Construction .....	200,000	
Total Requirement .....	231,097(3.5)	
Less Estimated:		
Act 255/59 .....	1,420	
Federal Fund .....	200,000	(3.5)
Net Appropriation .....		29,677
<b>Local Health Services</b>		
Administration .....	241,056(39)	
Public Health Nursing.....	569,447(104)	
Total Requirement .....	810,503(143)	
Less Estimated:		
Act 255/59 .....	67,719	
Federal Fund .....	53,745(12)	(131)
Net Appropriation .....		689,039
<b>Mental Health</b>		
<b>State Hospital</b>		
Administration .....	237,695(36)	
Support and Subsistence.....	660,442(68)	
Care, Treatment and Training .....	1,473,141(294)	
Maintenance and Operations.....	277,933(28)	
Production .....	78,897(10)	
Total Requirement .....	2,728,108(436)	
Less Estimated:		
Act 255/59 .....	197,008	
Special Fund .....	450	
Federal Fund .....	45,275(6)	(430)
Net Appropriation .....		2,485,375

Provided, that this appropriation shall be reduced to the extent that the total of the unencumbered cash balance on July 1, 1960 and the receipts of State Special Funds shall exceed the estimated sum of \$450 for the fiscal year 1960-1961; and provided further, that these appropriations for the State Hospital are intended for an average daily in-patient population of 1,180 and an average daily out-patient population of 90.

ACT 18

<b>Community Services</b>		
Total Requirement .....	437,046	(48)
Less Estimated:		
Act 255/59 .....	33,336	
Federal Fund .....	28,043	(4)
Net Appropriation .....		375,667

<b>Preventive Medicine</b>		
Administration .....	19,261	(2)
Adult Health .....	111,639	(14)
Alcoholism Clinic .....	35,622	(3.5)
Crippled Children's Services .....	248,594	(20)
Conservation of Hearing .....	32,728	(2)
Mental Retardation .....	46,499	(4.5)
Epidemiology .....	33,798	(3)
Laboratories .....	192,045	(28.5)
Maternal and Child Health .....	93,172	(10.5)
Nutrition .....	15,904	(2)
Poliomyelitis Vaccination .....	24,910	
Radium Control .....	2,162	
Tuberculosis Control .....	160,614	(22)
Total Requirement .....	1,016,948	(112)
Less Estimated:		
Act 255/59 .....	46,889	
Act 265/59 .....	36,356	(3.5)
Federal Fund .....	304,440	(30.5)
Net Appropriation .....		629,263

Provided, that the appropriation made for the poliomyelitis vaccination program shall be used for the indigent and medically indigent.

<b>Sanitation</b>		
Administration .....	48,258	(5)
Water Pollution Control .....	24,900	(2)
Industrial Hygiene .....	77,150	(10)
Mosquito Control .....	187,448	(31)
Pure Food and Drugs .....	50,252	(8)
Rodent Control .....	363,072	(76)
Sanitary Engineering .....	339,949	(55)
Total Requirement .....	1,091,029	(187)
Less Estimated:		
Act 255/59 .....	96,713	
Special Fund .....	6,890	(1)
Federal Fund .....	31,398	(3)
Net Appropriation .....		956,028

Provided, that in the Rodent Control program, the sum of \$11,000 shall be used for the purchase of rat poison to be used in the Kona and Kau areas. Such poison shall be distributed to the farmers by the University Extension Service agents.

<b>Specialized Services</b>		
Health Education .....	46,407	(7)
Health Statistics .....	100,887	(16)
Total Requirement .....	147,294	(23)
Less Estimated:		
Act 255/59 .....	12,118	
Special Fund .....	500	
Federal Fund .....	17,701	(3)
Net Appropriation .....		116,975

Hansen's Disease

Administration .....	96,114(13)	
Hale Mohalu .....	389,241(46)	
Kalaupapa Settlement .....	824,763(65)	
Total Requirement .....	1,310,118(124)	
Less Estimated:		
Act 255/59 .....	67,860	
Act 146/59 .....	14,000	
Federal Fund .....	1,000,000	(124)
Net Appropriation .....		228,258

Provided, that if a sum less than \$1,000,000 is provided by Congress for the Hansen's Disease program, then the difference between \$1,000,000 and the sum so provided is hereby appropriated; and provided, further, that if a sum greater than \$1,000,000 is so provided, then the amount of the net general appropriation shall be reduced to the extent that the actual realization shall exceed the estimated sum of \$1,000,000 for the fiscal year 1960-1961.

Special Research Projects

Total Requirement .....	60,949	
Less Estimated:		
Federal Fund .....	60,949	
Net Appropriation .....		.....

Waimano Home

Administration .....	91,371(13)	
Support and Subsistence .....	314,335(25)	
Care, Treatment and Training .....	928,747(224.6)	
Maintenance and Operations .....	229,534(17)	
Production .....	158,522(12)	
Total Requirement .....	1,722,509(291.6)	
Less Estimated:		
Act 255/59 .....	139,907	
Special Funds .....	50,000	(291.6)
Net Appropriation .....		1,532,602

Provided, that this appropriation shall be reduced to the extent that the total of the unencumbered cash balance on July 1, 1960 and the receipts of State Special Funds shall exceed the estimated sum of \$50,000 for the fiscal year 1960-1961; and provided, further, that these appropriations for Waimano Home are intended for an average daily patient population of 925.

Parole and Home Placement

Total Requirement .....	33,174(6)	
Less Estimated:		
Act 255/59 .....	3,762	(6)
Net Appropriation .....		29,412

Mental Retardation (Expansion)

Administration .....	16,627(2)	
Community Services .....	76,670(13)	
Waimano State School .....	56,931(3)	
Total Requirement .....	150,228(18)	
Net Appropriation .....		150,228

SOCIAL SERVICES, DEPARTMENT OF

(577.5)  
7,649,241

Office of the Director

Total Requirement .....	19,259(3)	
Less Estimated:		
Act 255/59 .....	1,956	(3)
Net Appropriation .....		17,303

The positions as indicated above do not include the position of the director but such position may be found in the Social Welfare division.

ACT 18

Corrections

Hawaii Prison System

Administration .....	127,472(18)	
Support and Subsistence .....	324,759(6)	
Care, Treatment and Training.....	579,742(113)	
Maintenance and Operations.....	227,380(18)	
Production .....	211,849(12)	
Force Control .....	12,800	
Total Requirement .....	1,484,002(167)	
Less Estimated:		
Act 255/59 .....	86,001	
Special Fund .....	175,379(4)	
		(163)
Net Appropriation .....		1,222,622

Provided, that this appropriation shall be reduced to the extent that the total cash balances as of July 1, 1960 and receipts of State Special Funds shall exceed the estimated sum of \$175,379 for the fiscal year 1960-1961; and provided further, that these appropriations for the Hawaii Prison System are intended for an average inmate population of 600.

Paroles and Pardons

Administration .....	31,991(5)	
Care, Treatment and Training.....	64,027(10)	
Total Requirement .....	96,018(15)	
Less Estimated:		
Act 255/59 .....	9,513	
		(15)
Net Appropriation .....		86,505

Provided, that the sum of \$2,664 shall be used to contract for the services of one parole officer on the Island of Kauai.

Training Schools

Administration .....	108,476(16)	
Support and Subsistence .....	67,437(2)	
Care, Treatment and Training.....	325,508(73)	
Maintenance and Operations.....	109,614(9)	
Production .....	45,462(4)	
Total Requirement .....	656,497(104)	
Less Estimated:		
Act 255/59 .....	53,364	
Estimated Special Fund.....	17,822	
		(104)
Net Appropriation .....		585,311

Provided, that this appropriation shall be reduced to the extent that the total cash balances as of July 1, 1960 and receipts of State Special Funds shall exceed the estimated sum of \$17,822 for the fiscal year 1960-1961; and provided, further, that these appropriations for the Training Schools are intended for an average daily ward population of 210.

Paroles and Home Placement

Administration .....	16,932(3)	
Care, Treatment and Training.....	41,548(5)	
Total Requirement .....	58,480(8)	
Less Estimated:		
Act 255/59 .....	4,944	
		(8)
Net Appropriation .....		53,536

Social Welfare

Administration		
Total Requirement .....	327,915(52.5)	
Less Estimated:		
Act 255/59 .....	22,167	
Federal Fund .....	109,417(3)	
		(49.5)
Net Appropriation .....		196,331



Social Welfare Services	
Total Requirement .....	1,029,033(193)
Less Estimated:	
Act 255/59 .....	70,627
Federal Fund .....	353,680(7)

(186)  
604,726

Net Appropriation .....

Provided, that an additional nine temporary social worker positions, to be financed from departmental savings, may be used to enable the reduction of "hard core" cases for the fiscal year 1960-1961.

**Economic Assistance**

Aged Persons .....	953,700
Children and Their Families .....	3,897,331
Children in Foster Home and Institutions .....	324,996
Blind Persons .....	70,200
Disabled Persons .....	1,363,219
Other Needy Adults .....	249,240
Total Requirement .....	6,858,686
Less Estimated:	
Federal Fund .....	3,309,510
Net Appropriation .....	

3,549,176

**Medical Care Payments (Care of Indigents and Medically Indigent)**

Payments to Counties	
Total Requirement .....	1,127,949
Less Estimated:	
Federal Fund .....	248,346
Net Appropriation .....	

879,603

**Payments to Government Physicians**

Net Appropriation ..... 149,411

Provided, that the appropriations for Economic Assistance are intended for an average monthly caseload of: Aged Persons—1,445 cases; Children and Their Families—2,592 cases; Children in Foster Homes and Institutions—511 cases; Blind Persons—90 cases; Disabled Persons—1,764 cases; and Other Needy Adults—335 cases.

Provided further, that the average payments as used by the Department of Budget and Review in arriving at their current level of services, taking into consideration the rise in the cost of foster care as of July 1, 1960, shall be the standard for the fiscal year 1960-1961.

Provided further, that in the payments to government physicians program, the sum of \$54,036 shall be used to increase the government physicians stipend at a base rate equal to SR-25 but this increase shall not be applicable to full-time county physicians.

Provided, that if an amount less than \$248,346 is realized from Federal Funds for Medical Care, then the difference between \$248,346 and the amount of the Federal Funds provided is hereby appropriated; and provided further, that if an amount greater than \$248,346 is provided, then this appropriation shall be reduced to the extent that the actual realization shall exceed the estimated sum of \$248,346 for the fiscal year 1960-1961.

**Sight Conservation and Work With the Blind**

Basic Services .....	234,440(39)
Vocational Rehabilitation of	
Visually Handicapped .....	54,065(3)
Shop for the Adult Blind .....	150,966(2)
Total Requirement .....	439,471(44)
Less Estimated:	
Act 255/59 .....	23,259
Special Fund .....	140,320
Federal Fund .....	32,924

(44)  
242,968

Net Appropriation .....

ACT 18

Veterans' Affairs, Council on		
Counselling and Administration....	44,506(5)	
Aid to Paralegic Veterans.....	20,800	
Total Requirement .....	65,306	
Less Estimated:		
Act 255/59 .....	3,557	(5)
Net Appropriation .....		61,749

**PROTECTIVE SERVICES**

**DEFENSE, DEPARTMENT OF**

(102)  
670,064

Military		
Command and Administration.....	250,577(36)	
Maintenance and Operation.....	405,291(61)	
Encampment Pay .....	52,500	
Total Requirement .....	708,368(97)	
Less Estimated:		
Act 255/59 .....	44,289	
Act 265/59 .....	9,360	
Federal Fund .....	52,000	(97)
Net Appropriation .....		602,719

If the Hawaii National Guard and the Hawaii Air National Guard shall be called or ordered into the service of the United States, the foregoing appropriations or any part thereof remaining unexpended shall be available to the Hawaii State Guard. If only a part of the Hawaii National Guard or the Hawaii Air National Guard should be called or ordered into the service of the United States, the Adjutant General with the approval of the Director of the Department of Budget and Review shall allocate the foregoing appropriations or any part thereof remaining unexpended between the Hawaii State Guard and the Hawaii National Guard.

Civil Defense Agency		
Administration .....	35,968(4)	
Health Services .....	16,555(1)	
Special Program .....	33,000	
Reserve for Surplus Property		
Purchase .....	3,000	
Total Requirement .....	88,523(5)	
Less Estimated:		
Act 255/59 .....	4,678	
Federal Fund .....	16,500	(5)
Net Appropriation .....		67,345

**LABOR AND INDUSTRIAL RELATIONS, DEPARTMENT OF**

(63)  
383,793

Administration		
Total Requirement .....	110,392(15)	
Less Estimated:		
Act 255/59 .....	9,537	(15)
Net Appropriation .....		100,855
Apprenticeship Program		
Total Requirement .....	32,893(5)	
Less Estimated:		
Act 255/59 .....	2,728	(5)
Net Appropriation .....		30,165

<b>Labor Law Enforcement</b>		
Total Requirement .....	103,393(17)	
Less Estimated:		
Act 255/59 .....	7,502	(17)
Net Appropriation .....		95,891
<b>Workmen's Compensation</b>		
Total Requirement .....	161,243(24)	
Less Estimated:		
Act 255/59 .....	9,057	
Special Fund .....	14,500	(24)
Net Appropriation .....		137,686
<b>Hawaii Employment Relations Board</b>		
Total Requirement .....	19,973(2)	
Less Estimated:		
Act 255/59 .....	777	(2)
Net Appropriation .....		19,196
<b>TREASURY AND REGULATION, DEPARTMENT OF</b>		
		(41)
		279,323
<b>Administration</b>		
Total Requirement .....	48,603(6)	
Less Estimated:		
Act 255/59 .....	5,596	(6)
Net Appropriation .....		43,007
<b>Business Registration</b>		
Total Requirement .....	27,414(4)	
Less Estimated:		
Act 255/59 .....	2,448	(4)
Net Appropriation .....		24,966
<b>Deputy Bank Examiner</b>		
Total Requirement .....	103,926(14)	
Less Estimated:		
Act 255/59 .....	6,592	(14)
Net Appropriation .....		97,334
<b>Insurance Bureau</b>		
Total Requirement .....	76,121(12)	
Less Estimated:		
Act 255/59 .....	6,834	
Net Appropriation .....		69,287(12)
<b>Office of the Fire Marshal</b>		
Total Requirement .....	31,466(3)	
Less Estimated:		
Act 255/59 .....	2,760	(3)
Net Appropriation .....		28,706
<b>State Boxing Commission</b>		
Total Requirement .....	17,211(2)	
Less Estimated:		
Act 255/59 .....	1,188	(2)
Net Appropriation .....		16,023
<b>Public Utilities Commission</b>		
Total Requirement .....	158,738(17)	
Less Estimated:		
Act 255/59 .....	6,142	
Act 265/59 .....	152,596(17)	
Net Appropriation .....		.....

ACT 18

**CENTRAL SERVICES**

<b>ACCOUNTING AND GENERAL SERVICES, DEPARTMENT OF</b>		(261.6)
		2,060,860
Comptroller's Office		
Total Requirement .....	262,026(35)	
Less Estimated:		
Act 255/59 .....	24,207	
		(35)
Net Appropriation .....		237,819
Electric Accounting Machine Division		
Total Requirement .....	87,943(11.3)	
Less Estimated:		
Act 255/59 .....	4,775	
		(11.3)
Net Appropriation .....		83,168
Central Purchasing		
Total Requirement .....	25,165(4)	
Less Estimated:		
Act 255/59 .....	1,848	
		(4)
Net Appropriation .....		23,317
Division of Supplies		
Net Appropriation .....		1,120
Insurance Management		
Administration .....	6,000	
Commercial Insurance Purchasing		
Auto Fleet Coverage .....	25,000	
Comprehensive Crime .....	50,000	
State Insurance Fund		
Workmen's Compensation .....	80,000	
Fire and Other Casualties .....	145,000	
Net Appropriation .....		306,000
Survey		
Administration .....	265,529(31)	
Triangulation .....	5,200	
Total Requirement .....	270,729(31)	
Less Estimated:		
Act 255/59 .....	21,735	
		(31)
Net Appropriation .....		248,994
Provided, that the sum of \$36,468 shall be used to complete the State lands inventory within one year.		
Kamehameha Day Celebration Commission		
Celebration Expenses		
City and County of Honolulu .....	6,500	
Hawaii County .....	3,750	
Kauai County .....	1,250	
Maui County, including Kalaupapa .....	1,750	
Salary—Kamehameha Day		
Historian .....	3,000(1)	
		(1)
Net Appropriation .....		16,250
Public Archives of Hawaii		
Archives Proper .....	59,867(11.75)	
Records Management .....	25,297(3.25)	
Total Requirement .....	85,164(15)	
Less Estimated:		
Act 255/59 .....	6,165	
		(15)
Net Appropriation .....		78,999

Division of Public Works		
Public Works Administration .....	61,410(7)	
Maintenance and Operations .....	838,094(139.3)	
Repairs and Alterations .....	269,518(18)	
Public Improvement Revolving Fund	23,848	
Total Requirement .....	1,192,870(164.3)	
Less Estimated:		
Special Fund .....	62,089	
Act 255/59 .....	65,588	
		(164.3)
Net Appropriation .....		1,065,193

Provided, that in the maintenance and operations program, the sum of \$25,000 shall be used for moving all State agencies and for refinishing the equipment of the Board of Health.

The appropriation of \$23,848 for the Public Improvement Revolving Fund is to restore the revolving fund to its original amount of \$25,000 authorized by Section 110-3, RLH 1955.

ATTORNEY GENERAL, DEPARTMENT OF THE		(40)
Attorney General's Office		394,799
Total Requirement .....	531,574(48)	
Less Estimated:		
Act 255/59 .....	18,587	
Act 265/59 .....	1,425	
Special Fund .....	141,250(15)	
		(33)
Net Appropriation .....		370,312

Provided, that the High Sheriff is included in the above position ceiling.  
Bureau of Crime Statistics

Total Requirement .....	4,930(1)	
Less Estimated:		
Act 255/59 .....	888	
		(1)
Net Appropriation .....		4,042
Bureau of Civil Identification		
Total Requirement .....	18,682(3)	
Less Estimated:		
Act 255/59 .....	2,088	
Act 265/59 .....	16,219	
		(3)
Net Appropriation .....		375

Provided, that the Bureau shall hereafter restrict their scope of operation to that which is authorized by statute.

Commission on Uniform Legislation		
Net Appropriation .....		600
Subversive Activities Commission		
		(3)
Net Appropriation .....		19,470

BUDGET AND REVIEW, DEPARTMENT OF		(64)
Bureau of the Budget Proper		13,870,114
Total Requirement .....	1,674,649(29)	
Less Estimated:		
Act 255/59 .....	20,671	
Act 242/59 .....	1,300,997	
		(29)
Net Appropriation .....		352,981

Provided, that the sum of \$145,000 included above shall be used for the following purposes:

- (a) To contract for the services of a management consultant firm of na-

tional reputation in the area of public administration and state government reorganization; and

- (b) To study and implement ways and means of improving the credit rating of the State and to establish sound borrowing practices.

<b>Cash and Debt Management</b>		
Total Requirement .....	45,351(6)	
Less Estimated:		
Act 255/59 .....	5,202	(6)
Net Appropriation .....		40,149
<b>Public Debt Service</b>		
Net Appropriation .....		21,394
<b>Bonded Debt</b>		
Net Appropriation .....		9,552,078
<b>Commission on Children and Youth</b>		
Total Requirement .....	18,087(2)	
Less Estimated:		
Act 255/59 .....	943	(2)
Net Appropriation .....		17,144
<b>Employees' Retirement System</b>		
Administration .....	169,802(27)	
Contributions .....	4,411,186	
Pensions .....	34,008	
Total Requirement .....	4,614,996(27)	
Less Estimated:		
Act 255/59 .....	614,936	
County Pro-Rata Share.....	55,692	
Act 265/53 .....	58,000	(27)
Net Appropriation .....		3,886,368
<b>EXECUTIVE</b>		
(19)		
385,249		
<b>Governor's Office and Washington Place</b>		
Total Requirement .....	227,899(19)	
Less Estimated:		
Act 255/59 .....	12,650	(19)
Net Appropriation .....		215,249
Provided, that the Governor and the administrative director are included within the above position ceiling.		
Provided further, that the past expenses and current expenses of the International Cooperation Center are included within the appropriation made to the Governor's Office.		
This appropriation may be expended at the discretion of the Governor.		
<b>Governor's Contingent Fund</b>		
Net Appropriation .....		150,000
Provided, that expenditures from this fund may be made with the approval of the Governor for urgent needs for which no specific appropriation is made herein; a detailed accounting of all such expenditures shall be submitted to the Legislature on the first day of the next session of the Legislature.		
Provided further, that this fund shall not be used to pay for any salaries in the Governor's Office and Washington Place.		
(10)		
235,133		
<b>LIEUTENANT GOVERNOR, OFFICE OF THE</b>		
<b>Lieutenant Governor's Office</b>		
Total Requirement .....	100,102(10)	
Less Estimated:		
Act 255/59 .....	3,528	(10)
Net Appropriation .....		96,574

This appropriation shall be expended at the discretion of the Lt. Governor.  
 Hawaiian Birth Registration

Total Requirement .....	2,601	
Less Estimated:		
Act 265/59 .....	2,601	
Net Appropriation .....		.....
1960 Election Expenses		
Net Appropriation .....		138,559
		(34)
<b>PERSONNEL SERVICES, DEPARTMENT OF</b>		<b>231,649</b>
Personnel Services		
Total Requirement .....	253,625(34)	
Less Estimated:		
Act 255/59 .....	21,976	
		(34)
Net Appropriation .....		231,649
		(333)
<b>TAXATION, DEPARTMENT OF</b>		<b>1,940,059</b>
Administration		
Total Requirement .....	214,179(27)	
Less Estimated:		
Act 255/59 .....	17,636	
		(27)
Net Appropriation .....		186,543
Real Property Tax		
Total Requirement .....	418,263(61)	
Less Estimated:		
Act 255/59 .....	27,081	
		(61)
Net Appropriation .....		391,182
Tax Maps		
Total Requirement .....	111,655(21)	
Less Estimated:		
Act 255/59 .....	7,500	
		(21)
Net Appropriation .....		104,155
Income and Miscellaneous Taxes		
Total Requirement .....	593,798(105)	
Less Estimated:		
Act 255/59 .....	50,036	
		(105)
Net Appropriation .....		543,762
Field Audit		
Total Requirement .....	268,677(41)	
Less Estimated:		
Act 255/59 .....	18,744	
		(41)
Net Appropriation .....		249,933
Collection		
Total Requirement .....	361,178(57)	
Less Estimated:		
Act 255/59 .....	22,150	
		(57)
Net Appropriation .....		339,028
Delinquent Taxes		
Total Requirement .....	114,561(21)	
Less Estimated:		
Act 255/59 .....	9,596	
		(21)
Net Appropriation .....		104,965

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Boards of Review		
Net Appropriation .....		7,220
Tax Appeal Court		
Net Appropriation .....		3,271

**JUDICIAL BRANCH**

(268.5)  
2,060,375

Supreme Court		
Supreme Court Proper.....	202,532 (18)	
Office of the Administrative Director	25,170 (3)	
Supreme Court Library.....	28,299 (3)	
Publications—Hawaii Reports .....	11,000	
Publications—Criminal Rules of Procedure .....	2,500	
Revisor of Statutes.....	71,542 (4)	
Total Requirement .....	341,043 (28)	
Less Estimated:		
Act 255/59 .....	11,592	
Act 259/59 .....	25,170 (3)	
Net Appropriation .....		(25) 304,281
District Court of Kalawao		
Total Requirement .....	2,520 (1)	
Less Estimated:		
Act 262/59 .....	240	
Net Appropriation .....		(1) 2,280
Land Court		
Total Requirement .....	26,609 (3)	
Less Estimated:		
Act 255/59 .....	2,280	
Net Appropriation .....		(3) 24,329
First Circuit Court		
First Circuit Court Proper.....	669,117 (72)	
Adult Probation Division.....	84,757 (14)	
Juvenile Court Proper.....	394,403 (60)	
Juvenile Detention Home.....	153,871 (26)	
Total Requirement .....	1,302,148 (172)	
Less Estimated:		
Act 223/59 .....	56,020 (5)	
Act 255/59 .....	87,243	
Net Appropriation .....		(167) 1,158,885
Second Circuit Court		
Total Requirement .....	203,437 (275)	
Less Estimated:		
Act 255/59 .....	10,958	
Net Appropriation .....		(27.5) 192,479
Third Circuit Court		
Total Requirement .....	278,119 (31)	
Less Estimated:		
Act 255/59 .....	13,059	
Net Appropriation .....		265,060 (31)
Fifth Circuit Court		
Total Requirement .....	120,712 (14)	
Less Estimated:		
Act 255/59 .....	7,651	
Net Appropriation .....		(14) 113,061



**SUBSIDIES TO COUNTIES AND PRIVATE HOSPITALS**

**QUASI-PUBLIC INSTITUTIONS—TUBERCULOSIS HOSPITALS**

Leahi Hospital .....	1,833,695(355.75)	
Salary increase for employees.....	122,997	
Total Requirement .....	1,956,692(355.75)	
Less Estimated:		
Hospital Receipts .....	75,949	(355.75)
Net Appropriation .....		1,880,743

As a supplement to the estimated receipts for the operation and maintenance of the tuberculosis hospital for the fiscal year 1960-1961; provided, that this appropriation shall be reduced to the extent that the actual receipts and recoveries shall exceed the estimated sum of \$75,949 for the fiscal year 1960-1961; and provided, further, that the appropriation above is intended for an average daily in-patient population of 220.

<b>Kula Sanatorium</b>		
Total Requirement .....	651,407(114)	
Less Estimated:		
Act 255/59 .....	54,155	
Hospital Receipts .....	18,663	(114)
Net Appropriation .....		578,589

As a supplement to the estimated receipts for the operation and maintenance of the tuberculosis hospital for the fiscal year 1960-1961; provided, that this appropriation shall be reduced to the extent that the actual receipts and recoveries shall exceed the estimated sum of \$18,663 for the fiscal year 1960-1961; and provided, further, that the appropriation above is intended for an average daily in-patient population of 75.

<b>Puunaiia-Hilo Memorial Hospital</b>		
Total Requirement .....	624,761(120.1)	
Less Estimated:		
Act 255/59 .....	33,319	
Hospital Receipts .....	20,000	(120.1)
Net Appropriation .....		571,442

As a supplement to the estimated receipts for the operation and maintenance of the tuberculosis hospital for the fiscal year 1960-1961; provided, that this appropriation shall be reduced to the extent that the actual receipts and recoveries shall exceed the estimated sum of \$20,000 for the fiscal year 1960-1961; and provided further, that the appropriation above is intended for an average daily in-patient population of 90.

<b>Samuel Mahelona Hospital</b>		
Total Requirement .....	473,983(88)	
Less Estimated:		
Act 255/59 .....	33,120	
Hospital Receipts .....	7,800	(88)
Net Appropriation .....		433,063

As a supplement to the estimated receipts for the operation and maintenance of the tuberculosis hospital for the fiscal year 1960-1961; provided, that this appropriation shall be reduced to the extent that the actual receipts and recoveries shall exceed the estimated sum of \$7,800 for the fiscal year 1960-1961; and provided, further, that the appropriation above is intended for an average daily in-patient population of 70.

<b>Lunalilo Home</b>		
Net Appropriation .....		40,000

<b>HOSPITAL SUBSIDIES</b>	
City and County of Honolulu.....	97,000
County of Hawaii.....	70,000

ACT 18

County of Maui .....	80,000	
County of Kauai .....	24,000	
Net Appropriation .....		271,000

Provided, that the moneys designated after each county shall be paid to each respective board of supervisors or city council, as the case may be, which board or city council shall disburse such funds to any county or private hospital within its jurisdiction as it deems best.

<b>FIREBOAT—CITY AND COUNTY OF HONOLULU</b>		
Total Requirement .....	156,357(23)	
Less Estimated:		
Special Fund .....	30,000	
Act 255/59 .....	18,606(23)	
		(23)
Net Appropriation .....		107,751

<b>VETERANS CEMETERIES</b>		
Island of Hawaii .....	2,500	
Island of Kauai .....	2,500	
Island of Maui .....	2,500	
Island of Molokai .....	2,500	
Net Appropriation .....		10,000

<b>PACIFIC WAR MEMORIAL COMMISSION</b>		
Net Appropriation .....		8,640

SECTION 2. The sum of \$200,115 (36.3), or so much thereof as shall be sufficient to accomplish the purpose, is hereby approved for the Hawaiian Homes Administration Account pursuant to the provisions of Section 213(f), Hawaiian Homes Commission Act of 1920, as amended, from the proceeds of leasing the available lands as defined in Section 204 of said Act.

SECTION 3. For the fiscal year 1960-1961, in the absence of legislative appropriations for special funds as provided under Section 2 of Act 320, SLH 1957, departments and establishments shall be authorized to expend so much as is deemed necessary to carry out the purposes of each special fund, as approved by the Governor, or the Director of the Department of Budget and Review if so delegated by the Governor; provided, that such expenditures shall not exceed the monies available in the special fund.

SECTION 4. The Governor, after consultation with the consultant team, may create additional positions in the programs as indicated below. The creation of such additional positions shall be governed by the provisions of Sections 5 and 13 of this Act.

**ECONOMIC DEVELOPMENT AND NATURAL RESOURCES**

**DEPARTMENT OF AGRICULTURE AND CONSERVATION**

- Veterinary Laboratory
  - 1 Microbiologist
  - 1 Pathologist
- Plant Quarantine and Inspection
  - 2 Plant Quarantine Inspectors
- Fish and Game—Administration
  - 1 Clerk
- Forestry Protection and Management
  - 4 Foresters

**DEPARTMENT OF ECONOMIC DEVELOPMENT**

- Administration
  - 1 Specialist in Agriculture
  - 1 Specialist in Industry

- 1 Specialist in Tourism
- 1 Specialist in Credit
- 1 Specialist in Analysis

**DEPARTMENT OF LAND AND NATURAL RESOURCES**

Office of Director

- 1 Clerk-Stenographer
- 1 Stenographer
- 2 Legal Stenographer

State Parks

- 3 Park Caretakers (1 for Oahu, 1 for Hawaii, 1 for Maui)
- 7 General Laborers (2 for Oahu, 2 for Hawaii, 2 for Maui, and 1 for Kauai)

**DEPARTMENT OF PLANNING AND RESEARCH**

Administration

- 1 Associate Planner

**EDUCATION**

**DEPARTMENT OF EDUCATION**

Audio-Visual

- 1 State Director
- School Social Work
- 3 Social Workers

**UNIVERSITY OF HAWAII**

Student Welfare

- 1 Assistant Specialist (Counselor)
- Instruction and Dean's Office
- 1.25 Assistant Deans
- .50 Junior Specialist
- Organized Research—Economic Research Center
- 1 Stenographer
- 1 Typist

Buildings

- 1 Construction and Trucking Foreman
- 1 Janitorial Foreman
- 1 Heavy Equipment Operator

**HEALTH AND SOCIAL SERVICES**

**DEPARTMENT OF HEALTH**

State Hospital

- Support and Subsistence
- 1 Laundry Helper
- Care, Treatment, and Training
- 1 Psychiatric Social Worker
- 1 Medical Laboratory Technician

Preventive Medicine

- Administration
- 1 Public Health Veterinarian

Crippled Children

- 1 Occupational Therapist

Laboratories

- 1 Microbiologist
- 1 Laboratory Assistant

Sanitation

- Industrial Hygiene
- 1 Air Pollution Mechanical Engineer

Sanitary Engineering

- 1 Sanitary Inspector

Specialized Services

- Health Statistics
- 1 Research Analyst

Waimano Home

- Support and Subsistence
- 3 Cooks
- 2 Laundry Workers

**ACT 18**

Care, Treatment, and Training  
9 Institutional Group Supervisors  
Mental Retardation Expansion  
1 Director of Cottage Life  
1 Psychologist  
2 Occupational Therapists  
4 Stenographers  
1 Social Work Supervisor  
2 Educable Children Teachers  
2 Child Development Specialists  
1 Physical Therapist  
1 Laboratory Technician

**DEPARTMENT OF SOCIAL SERVICES**

Office of Director  
1 Psychologist  
Sight Conservation—Basic Services  
1 Industrial Arts Teacher  
1 Home Economics Teacher  
1 Stenographer  
1 Group Recreation Worker  
1 Janitor-Messenger

**PROTECTIVE SERVICES**

**DEPARTMENT OF DEFENSE**

Command and Administration  
1 Clerk  
Civil Defense—Administration  
1 Director of Plans and Operations  
1 Director of Logistics  
1 Stenographer

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

Administration  
1 Personnel Officer  
Apprenticeship Program  
1 Clerk  
Bureau of Workmen's Compensation  
1 Stenographer

**DEPARTMENT OF TREASURY AND REGULATION**

Insurance Bureau  
1 Insurance Analyst  
1 Insurance Investigator  
Fire Marshal  
1 Flammable Liquids Inspector  
Public Utilities  
1 Research Analyst  
1 Investigator

**CENTRAL SERVICES**

**DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES**

Comptroller's Office Proper  
1 Pre-audit Clerk  
Electric Accounting Machine  
1 Data Processing Manager  
Public Works Administration  
1 Stenographer III  
4 Stenographers II

**DEPARTMENT OF ATTORNEY GENERAL**

Bureau of Crime Statistics  
1 Clerk-Typist

**DEPARTMENT OF PERSONNEL SERVICES**

2 Typists

**DEPARTMENT OF TAXATION**

Real Property Tax  
 3 Clerks  
 Tax Maps  
 1 Digest Maker  
 Collection  
 1 Clerk (Kona)  
 1 Tab Equipment Operator  
 Delinquent Taxes  
 1 Account Clerk

**JUDICIAL BRANCH**

Supreme Court Proper  
 1 Clerk  
 First Circuit Court—Juvenile Detention Home  
 2 Detention Officers

SECTION 5. The Governor may, upon consultation with the consultant team, transfer funds from one department to another. Provided, that such funds are from vacant positions in one department and are necessary to create the additional positions authorized by Section 4 in the other departments. Provided further, that such funds may be transferred only after all of the obligations of the State pertaining to the vacant positions, such as accumulated vacation time, compensatory time and overtime, are paid in full. The position ceilings of the departments participating in the transactions above mentioned shall be adjusted accordingly.

No employee of the State having tenure shall suffer any loss of salary, seniority, prior service credit, vacation, sick leave or other employee benefit or privilege as a consequence of this section.

All particulars in relation to each such transfer of funds shall be reported to the respective Houses of the Legislature on the first day of the regular session in 1961.

SECTION 6. The sum of \$75,000 is hereby appropriated to the Department of Budget and Review to be administered in the following manner. Where a position authorized by Sections 4 and 5 of this Act is created and a transfer of equipment in conjunction with the creation of the position cannot be effected, the Budget Director may allot to the department creating the position such amounts to purchase equipment as may be essential for the utilization of the position. Allotments may be made under similar conditions for "current expenses" and for motor vehicles. In each case allotments shall be limited to amounts and items identified with the position created in the Governor's budget or supporting data thereof. Full particulars of each transaction authorized by this section shall be reported to the respective Houses of the Legislature on the first day of the regular session in 1961.

SECTION 7. The designations referring to divisions, bureaus, offices and other subdivisions of departments are used in this Act for convenience only and such use is not intended to create or confirm the existence of such departmental subdivisions.

SECTION 8. All provisos authorizing the reclassification of positions shall not be construed as authorizing either the Governor or the department head affected to individually reclassify such positions. All reclassification of positions shall be in accordance with existing civil service

statutes and rules and regulations of the civil service commission. If the positions are not reclassified as provided, the funds allocated for these positions shall lapse into the general fund.

SECTION 9. No funds appropriated in this Act shall be used by a department for the purpose of conducting a study or survey of its management practices or for any other purpose, except as authorized by this Act or any other action of the Legislature, or by a legislative interim committee.

SECTION 10. In allotting funds to the Department of Health, Department of Social Services, tubercular hospitals, and other departments, commissions, and agencies having appropriations which are based on population and workload data as specified in this Act, only so much as necessary to provide the level of services intended by the legislature shall be allotted by the Department of Budget and Review. For this purpose, the departments and agencies concerned shall reduce expenditures below appropriations as prescribed by the Department of Budget and Review in the event actual population and workload trend is less than the specified figure. In the event that the trend is higher than the specified figure, the department is authorized to submit a deficiency appropriation request to the extent and so such basis as may be prescribed by the Director of the Department of Budget and Review.

SECTION 11. Except as otherwise provided, transfer of funds between program appropriations within a department may be made by the head of the department upon his certification, and approval by the Director of the Department of Budget and Review, that appropriation balances are or will be available for such transfers after the program objectives intended by the legislature have been accomplished and that such transfers are necessary to accomplish program objectives authorized by the legislature. All such transfers of funds shall be reported to the legislature at least ten days before the next legislature convenes.

SECTION 12. Where the operation of a department or a program is financed by general appropriation as well as by non-general appropriation funds, the general appropriation portion shall be decreased to the extent that the receipt of non-general appropriation funds approved in this Act are exceeded, provided, however, that such decrease shall not jeopardize the receipt of such increased non-general appropriation funds. This section shall not apply to funds that have no direct relationship to the scope of a program operation.

SECTION 13. The maximum number of positions unless authorized for the State government at the end of fiscal year 1960-1961 is the sum of the positions enclosed in parenthesis after the appropriation or approved amounts stated for all departments and any department having positions over and above the authorized number of positions shall reduce the number of positions by normal attrition or transfer of positions authorized by the Governor pursuant to Section 4 of this Act, provided, that this section shall not apply to any position required to perform a function or service of a temporary or non-recurring character nor shall it apply to the classroom teaching positions in the Department of Education and the University of Hawaii.

SECTION 14. **The Management Improvement Team.** A temporary

management improvement team consisting of not more than nine persons is authorized. The team is made a part of the Department of Budget and Review.

Personnel for this team shall serve for not more than one year and shall be recruited first from employees within the State's service. If such positions cannot be filled by qualified State employees, the Department is permitted to hire, on a one year contractual basis, additional persons through savings effected in the salary accounts throughout the State government.

The state team shall work under the direct supervision of the management consultant team and shall receive training, from the latter, in the proper application of management improvement techniques for a period of one year.

SECTION 15. This Act shall take effect from and after July 1, 1960.

(Approved May 10, 1960.) **H.B. 1.**

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## ACT 19

A Bill for An Act to Make Public Lands Available to Persons Dispossessed or Displaced as a Consequence of Any Natural Disaster.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. **Purpose:** Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each house. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of fact constituting such urgency:

Many times in the past and also at the present time, citizens of Hawaii have been displaced or dispossessed as a consequence of a natural disaster such as tidal waves, earthquakes, landslides, hurricanes, or volcanic eruptions or by reason of major improvements instituted by the state, its political subdivisions or federal, state or county agency. Since it is of the utmost importance to the economic stability of the state that such persons be relocated as much as possible as a group in the area or its immediate vicinity from which they are dislocated, immediate relief for such persons should be provided.

SECTION 2. For a period of one year from the effective date of this Act the department of land and natural resources is hereby authorized to dispose of by sale, lease, or lease with option to purchase state lands through drawing by lots and without recourse to public auction to persons dispossessed or displaced as a result of a natural disaster, such as volcanic eruption, under the following terms and conditions:

1. The department of land and natural resources shall do the subdividing and improvement of such lands to be disposed of, including roads; and

## ACT 20

2. Such lands shall be sold at fair market value or leased at fair market lease rental, as determined by not more than three independent appraisals, which appraisals shall be based on the land as improved as aforesaid; and

3. Any instrument of conveyance or lease shall contain as well as the usual terms, the following:

(a) Such land shall be used only for residential purposes for a period of ten (10) years following the date of such conveyance or lease, in the event this provision is violated, such land shall automatically revert to the state and any monies paid therefor shall be forfeited as the reasonable value of rent for such land; and

(b) Should the purchaser or lessee decide to sell, lease or sublease the land within a period of ten (10) years from the date of sale or lease from the state, then, the state shall have the first option to re-purchase the interest of the purchaser or lessee at fair market value.

4. The size of any lot sold under the provisions of this Act shall not exceed two acres.

SECTION 3. For the purposes of this Act a person dispossessed or displaced by natural disaster shall mean:

1. Any owner of land in possession and lessee or tenant of land in possession, who have used the property for residence purpose immediately prior to the date such property was destroyed by natural disaster, and such property so destroyed shall be deemed unfit for residence purpose, may purchase or lease public lands under the provisions of this Act; and

2. The owner of land in possession and lessee or tenant of land in possession whose property was destroyed by natural disaster no longer than two (2) years prior to the effective date of this Act or no later than one (1) year after the effective date of this Act.

A person eligible under this Act shall have the right to draw one lot for his property destroyed by natural disaster.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 10, 1960.) **H.B. 25.**

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## ACT 20

A Bill for An Act Creating a Kauai County Board of Water Supply.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration an enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such action shall have been first approved by each House. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:



1. The Kauai Public Water Supply has been almost completely stagnant for a period of a quarter century.

2. There is no substantial economic potential now in sight other than tourism that can expand the island's earnings or employment.

3. Needed urgently are citizens with special knowledge of and ability in the fields of engineering, finance and administration and for their single-minded interest in the problems of water supply who could be assured of continuity of policy through overlapping terms of office.

SECTION 1. Chapter 147 of the Revised Laws of Hawaii 1955 is hereby amended by adding the following part and sections to be appropriately numbered:

**"PART . . . . KAUAI COUNTY BOARD OF WATER SUPPLY.**

**Section . . . . Definitions.** As used in this part, 'board' shall refer to the board of water supply of the county of Kauai, 'board of supervisors' shall refer to the board of supervisors of the county of Kauai, 'county' shall refer to the county of Kauai and 'chairman of the board of supervisors' shall refer to the chairman and executive officer of the board of supervisors.

**Section . . . . Board of Water Supply, County of Kauai.** There shall be a Board of Water Supply, to consist of seven members of whom five shall be appointive members and be appointed as hereinafter provided, and of whom two shall always be the State District Engineer from the Department of Transportation of the State and the Director of Planning and Traffic Commission of the County of Kauai. Members shall be nominated and, by and with the advice and consent of the board of supervisors, appointed by the chairman of the board of supervisors, provided, however, in the event the chairman of the board of supervisors fails to nominate and present to the board of supervisors for their consideration nominees to fill any position or positions on the board within thirty days after the effective date of this act or upon the expiration of the term of any position or upon any vacancy, then the board of supervisors may by the adoption of a resolution nominate and appoint any or all members of the board.

At least one appointed member of the board shall be an engineer duly registered under the provisions of chapter 166, Revised Laws of Hawaii 1955 at least one appointed shall be an accountant registered or certified under the provisions of chapter 164, Revised Laws of Hawaii 1955 and at least one shall be a representative of a labor organization listed with the Hawaii Employment Relations Board, provided, however, if an engineer or registered or certified accountant is not available for appointment, any other duly qualified elector of the County of Kauai may be appointed in his place and stead. No employee or officer of the state or any of its political subdivisions shall be eligible to serve as a board member, except as otherwise provided herein.

The members of the board shall serve without pay, but shall be reimbursed for their reasonable expenses incurred in the discharge of their duties as members of the board.

The term of office of each appointed member of the board shall be five years from and after the date of his appointment: provided, that of the initial members, one shall be appointed for a term to expire on January 1, 1961, one for a term to expire on January 1, 1962, one for a

term to expire on January 1, 1963, one for a term to expire on January 1, 1964, one for a term to expire on January 1, 1965. Any vacancy occurring on the board shall be filled in accordance with the foregoing provisions for the unexpired portion of the term concerned.

**Section . . . . Organization and meetings.** The members of the board shall select their own chairman and other officers. In the event of the temporary absence of the chairman, the members of the board shall select an acting chairman. The board shall hold at least one regular meeting each month. The board may adopt such rules and regulations as it may consider necessary for the conduct of its business and other rules and regulation of matters herein committed to its charge. A majority of the members of the board shall constitute a quorum for the transaction of business and the affirmative vote of at least four members of the board shall be necessary to validate any action of the board.

**Section . . . . Staff.** The board shall appoint an engineer duly registered under the provisions of chapter 166, Revised Laws of Hawaii 1955 to serve as the administrative officer of the board at its pleasure. He shall be known as the manager and chief engineer of the board and shall not be subject to the provisions of chapter 3, Revised Laws of Hawaii 1955. His compensation shall be fixed by the board. The board may appoint a deputy-manager-engineer under the terms and provisions of chapters 3 and 4, Revised Laws of Hawaii 1955, as amended.

The manager and chief engineer shall have such powers and duties as shall be prescribed by the board.

The manager and chief engineer shall have the power to appoint, suspend and discharge such other employees, subordinates and assistants as may be necessary for the proper conduct of the business of the board pursuant to the provisions of chapters 3 and 4, Revised Laws of Hawaii 1955, subject to the approval of the board; provided, however, that all present employees of the waterworks department, and all provisional, temporary and contractual employees of the waterworks department who are presently employed in such position, are transferred to the board under the provisions of chapters 3 and 4, Revised Laws of Hawaii 1955.

The board may require a bond in such amount as it deems proper from the manager and chief engineer or deputy or from any employees. The premiums of such bond or bonds shall be paid by the board.

**Section . . . . Powers and duties of board.** The board shall manage, control and operate the waterworks of the county and all property in connection therewith or necessary therefor, for the purpose of supplying water to the public in the county, and shall collect, receive, expend and account for all sums of money derived from the operation thereof and all other monies provided for the use or benefit of such waterworks and all property—used for or held in connection therewith.

**Section . . . . Legal department.** The county attorney shall be the legal adviser of the board and shall prosecute and defend, as the board may require, any and all actions and proceedings involving matters under its jurisdiction. He may, with the prior approval of the board, compromise, settle or dismiss any litigation or proceedings which may be pending for, or on behalf of or against the board relative to any matter or property under its jurisdiction.

**Section . . . . Outstanding obligations.** All outstanding obligations in connection with the operation of the waterworks shall be paid by the board out of waterworks funds.

**Section . . . . Purchase and sale of waterworks property; contracts.** The board may contract for work, and purchase supplies, materials or equipment, when the cost of the same can be met from the revenues or reserves of the waterworks, or from the proceeds of bonds authorized for the waterworks. All contracts shall be executed in the name of the board and shall be signed by the chairman or acting chairman of the board.

The board may sell or otherwise dispose of any buildings, materials, supplies or equipment, under its control, when no longer used or useful for its purpose; provided, however, that such buildings, materials, supplies or equipment shall first be offered at its depreciated or market value to the board of supervisors. All documents of transfer of such buildings and personal property shall be executed in the name of the board and shall be signed by the chairman or acting chairman thereof. All proceeds of any such sale shall be deposited with the county treasurer and be by him placed to the credit of the board.

**Section . . . . Construction, additions, extensions, increases, betterments and improvements.** The board shall locate and determine the character and type of all construction and additions, extensions, increases, betterments and improvements to the waterworks, and shall determine the policy for construction or the making of additions, extensions, increases, betterments and improvements out of any public funds under its jurisdiction.

**Section . . . . Accounts, revenues and expenditures.** The board shall maintain proper accounts in such manner as to show the true and complete financial status and the results of management and operation.

The accounts and financial status of the board shall be examined annually by the county auditor who shall report thereon to the board.

**Section . . . . Reserve fund.** The board may provide for the accumulation of a fund for the purpose of financing major replacements, or extensions and additions, the average estimated annual increment to which, for a period of ten years, shall not exceed fifteen per cent of the gross revenue of the board in any fiscal year.

**Section . . . . Revenue bond sales.** The county treasurer shall, when so directed by the board, sell such bonds as may be authorized for the acquisition, construction, replacement, extension or completion of the waterworks; provided, that such sale shall otherwise be conducted in accordance with the procedure specified by the law for the sale of such bonds. The proceeds from such sales shall be kept by the county treasurer in a separate fund to be used only for the purposes for which such bonds were sold.

**Section . . . . Provisions for payment of bonds, etc.** Whenever there are outstanding any bonds of the county representing monies heretofore or hereafter expended upon the waterworks system, the funds in the county treasury to the credit of the board shall be drawn upon by the county treasurer to the extent necessary from time to time to provide for payment of such bonds and the interest thereon according to the

The Property of the State of  
Hawaii in the official keeping of

tenor and terms thereof, the monies so drawn to be placed to the credit of the appropriate sinking fund and used for such purpose.

**Section . . . . . Operating expenses, reserves and appropriations.** All receipts of the board, other than from the sale of bonds, shall be paid daily into the county treasury and maintained in a special fund. The board may make appropriations and allowances from the fund for the following purposes, viz: (a) For the payment of the operating and maintenance expenses of the waterworks; (b) for repairs, replacements, additions and extensions; (c) for accident reserve, pension charges and compensation insurance; (d) for payment of interest and sinking funds on all bonds issued for the acquisition or construction of the waterworks and extensions thereto and for the reserve fund.

**Section . . . . . Disbursement of funds.** The county treasurer shall disburse all monies of the board only upon warrants issued by the county auditor on vouchers signed by the chairman or acting chairman of the board.

**Section . . . . . Rates.** The board shall have the power to fix and adjust rates and charges for the furnishing of water and for water service; to collect and by appropriate means, including the discontinuance of service to delinquent consumers, or commencement of civil action in the name of the board, enforce the collection of such rates and charges; and to adjust and settle all complaints, claims and accounts of consumers or the public. All water furnished to the county or any department thereof or to the state or any department thereof shall be charged to the respective departments and shall be payable to the board by the respective departments at such rates and times established by the board, and, upon the failure of such departments to make payment when payment is due, then the auditor of the county of Kauai and the comptroller of the Department of Accounting and General Services of the State of Hawaii shall pay from the account of such department or departments all delinquencies as certified to by the chairman of the board.

**Section . . . . . Acquisition of lands.** The board may, in the name of the county, acquire and take by purchase, lease or otherwise, all property situated within the limits of the county that it may determine necessary for the construction, maintenance, extension or operation of the waterworks system.

**Section . . . . . Agreements for joint use of utilities.** The board may enter into such arrangements and agreements as it deems proper for the joint use with any other person owning the same, or having jurisdiction of the same, of poles, conduits, towers, stations, aqueducts and reservoirs for the operation of any of the properties under its jurisdiction.

**Section . . . . . Pensions.** All officers and employees of the board shall be entitled to the benefits of the provisions of Part II of chapter 6, Revised Laws of Hawaii 1955, as amended. The employee's contribution to the retirement fund, as provided thereunder, shall be paid from the funds under the control of the board.

**Section . . . . . Deposit of money in banks.** All monies deposited in the office of the county treasurer belonging to the board shall be deposited in such manner and upon such provisions and requirements, as provided by Chapter 133, Revised Laws of Hawaii 1955, as amended, the county treasurer and the chairman of the board shall have the same

rights, powers and duties as devolve upon the State, its treasurer and the Governor, respectively, with respect to State funds so deposited. All interest received by the county treasurer upon monies belonging to the board shall be credited to the board.

**Section . . . . Name and service of process; claims against board.** The board created herein shall be known as the 'board of water supply, county of Kauai' and may sue and be sued under such name. Service of process in all matters affecting the board, or any property under its jurisdiction, may be made by service upon any member of the board or on its manager. Any action commenced or prosecuted for the recovery of damages for any injury to any person or property by reason of the negligence of the board or of any of its agents, servants or employees, shall be commenced and prosecuted against the board. No action shall be maintained for the recovery of any such damage, unless a written statement verified by the oath of the claimant, setting forth the nature and items of the claim, and the time and place where the alleged injury may have occurred or where the damage was sustained, has been filed with the board within six months after the date of the sustaining of the injury or damage; otherwise there shall be no recovery on the claim."

SECTION 3. All existing contracts of the county of Kauai affecting the affairs of the water department of the county of Kauai which are in effect as of the effective date of this Act shall also bind the board of water supply of the county of Kauai.

SECTION 4. The board of supervisors may advance to the board such sums as shall be necessary for the operating expenses of the board during its first year of operation, which sums shall be reimbursed to the county of Kauai within five years after the effective date of this Act. The board of supervisors shall provide necessary office and base yard space and facilities for the use and occupancy of the board.

SECTION 5. Chapter 145A, Revised Laws of Hawaii 1955, is hereby amended by deleting all references to the county of Kauai.

SECTION 6. This Act shall take effect upon its approval.

(Approved May 10, 1960.) **H.B. 403.**

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## ACT 21

A Bill for An Act Making Supplementary Appropriations Out of the General Revenues for the Fiscal Year Ending June 30, 1960.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. This act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency: Act 270 of the Session Laws of Hawaii 1959 appropriated certain designated sums to departments and agencies of the State to accomplish the purposes or programs designated by the appropriation for the biennial period beginning July 1, 1959 and ending June 30, 1961.

Pursuant to section 4 of said Act 270, the director of the Bureau of the Budget did allocate funds by departments for the 1959-1960 fiscal year not exceeding forty-eight per cent of the total appropriation for the biennial period. Pursuant further to said section 4, with the attainment of statehood in 1959, fifty-two per cent of the sums appropriated by Act 270 lapsed into the general funds.

To the best of their abilities, the departments and agencies tried to operate within the allotted forty-eight per cent for the 1959-1960 fiscal year. However, certain conditions have forced many agencies to exceed the forty-eight per cent allocation under Act 270 for the 1959-1960 fiscal year. Such unforeseen expenses are shown in detail in the Summary of Deficiency Appropriation Requests—Fiscal Year 1959-1960, which had been prepared by and is on file with the department of Budget and Review.

The purpose of this bill is to appropriate additional sums to supplement the allocation for the period ending June 30, 1960 so that the legislative intent and planned programs under Act 270 for the first fiscal year may be carried out.

SECTION 2. The following sums, or so much thereof as may be necessary, are hereby appropriated for purposes hereinafter specified, in addition to any appropriations made for the same or similar purposes by another act, out of moneys in the treasury received from general revenues:

ECONOMIC DEVELOPMENT, DEPARTMENT OF .....		\$ 21,534
Administration .....	21,534	
LAND AND NATURAL RESOURCES, DEPARTMENT OF...		16,314
Commissioner of Public Lands.....	12,503	
Bureau of Conveyances.....	3,811	
DEPARTMENT OF EDUCATION.....		99,868
Cafeteria Workers Compensation.....	98,434	
Kauai Public Library Assn., Ltd.....	1,434	
SOCIAL SERVICES, DEPARTMENT OF .....		206,407
Social Welfare—Economic Assistance.....	193,522	
Hawaii Prison System.....	12,884	
LABOR AND INDUSTRIAL RELATIONS, DEPARTMENT OF		11,321
Administration .....	4,046	
Workmen's Compensation .....	7,275	
TREASURY AND REGULATION, DEPARTMENT OF.....		5,787
Treasurer's Office .....	5,787	
ACCOUNTING AND GENERAL SERVICES, DEPARTMENT OF .....		80,332
Comptroller's Office .....	3,000	
Public Works—Acquisition of Land for State Civic Center..	77,332	
ATTORNEY GENERAL, DEPARTMENT OF THE.....		95,772
Attorney General's Office.....	94,502	

Provided, that \$18,200 of the above amount shall be used to contract for the services of attorneys and legal stenographers to clear the backlog of work in the Department of Land and Natural Resources and to prepare the necessary statutory revisions and amendments in connection with the reorganization of that department; provided further, that \$20,000 of the above amount shall be used by the Attorney General to intervene on behalf of the people of the State of Hawaii at the Federal Maritime Board hearing as directed by S. C. R. No. 25 either by personally appearing before said board or by contracting for the services of a private attorney or attorneys to appear

before said board; provided further, that \$56,302.47 shall be used to render effective the judgment in favor of the state in the condemnation suit to acquire the City of Refuge in Honaunau, Hawaii.

Office of the High Sheriff.....	168	
Commission on Subversive Activities.....	1,102	
<b>BUDGET AND REVIEW, DEPARTMENT OF.....</b>		<b>11,796</b>
Commission on Children and Youth.....	1,606	
Employees' Retirement System—		
Fixed Charges:		
Military Leave.....	4,572	
Minimum Pensions.....	5,618	
<b>PERSONNEL SERVICES, DEPARTMENT OF.....</b>		<b>5,830</b>
<b>JUDICIAL BRANCH.....</b>		<b>72,967</b>
Supreme Court:		
Supreme Court Proper.....	12,391	
Supreme Court Library.....	2,566	
Revisor of Statutes.....	7,425	
First Circuit Court:		
First Circuit Court Proper.....	39,210	
Adult Probation Division.....	1,075	
Judges' Salaries.....	1,108	
Second Circuit Court.....	3,892	
Fifth Circuit Court.....	5,300	
<b>SUBSIDIES TO COUNTIES AND PRIVATE AGENCIES.....</b>		<b>65,606</b>
Kula Sanatorium—Tuberculosis Division.....	17,706	
Samuel Mahelona Memorial Hospital.....	44,018	
Fireboat, City and County of Honolulu.....	3,882	
<b>HURRICANE DOT CLAIMS COMMISSIONS.....</b>		<b>5,000</b>
<b>DEFENSE, DEPARTMENT OF.....</b>		<b>54,375</b>
Civil Defense.....	3,375	
Military.....	51,000	
(To be expended by the Comptroller for the construction of a Kealakekua Armory to match federal funds available for that purpose. Any other state General Fund appropriation for this project shall be void.)		
<b>GRAND TOTAL.....</b>		<b>752,909</b>

SECTION 3. Any appropriation herein made for payment in lieu of vacation time shall be withheld until such time as such payment shall be reviewed and certified as to its legality by the Attorney General of the State of Hawaii.

SECTION 4. All unexpended and unencumbered balances of the appropriations made by this Act as of the close of business on June 30, 1960, shall lapse into the general fund of the State.

SECTION 5. This Act shall take effect upon its approval.

(Approved May 10, 1960.) **H.B. 404.**

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**ACT 22**

An Act Relating to the Employees' Retirement System, Authorizing an Extension of Time for the Payment of Certain Contributions by the Counties Thereto, and Amending Act 173, Session Laws of Hawaii 1959.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 11 of Article III of the Constitution of the State of Hawaii provides for the consideration and enactment in a budget session of all urgency measures deemed necessary in the public interest. Said section 11 further provides that no urgency measure shall be considered unless a statement of facts constituting such urgency shall be set forth in a section thereof and until such section shall have been first approved by each House. Pursuant to said section 11 of Article III of the Constitution of the State of Hawaii, this Act is hereby declared to be an urgency measure deemed necessary in the public interest. The following is a statement of facts constituting such urgency:

Actions of the Legislature in providing for retirement system coverage for per diem employees have resulted in unanticipated increased financial liability on the part of the various counties; for instance, passage of Act 173, Session Laws of Hawaii 1959, has added a liability of about half a million dollars to the already overburdened financial capacity of the county of Kauai. Since it is essential that provision be made for continued protection of all county employees covered by the employees' retirement system and since some of the counties are unable to meet the obligations imposed upon it by the Legislature of the Territory of Hawaii for sums necessary for the purpose of granting prior service credit in the employees' retirement system to per diem workers and former per diem workers, remedial legislation is urgently required.

SECTION 2. The accrued liabilities of the various counties to the employees' retirement system authorized and directed by Act 173, Session Laws of Hawaii 1959, are hereby authorized to be liquidated by installment payments extending over a period of thirty years from the effective date of this Act.

SECTION 3. Section 1, Act 173, Session Laws of Hawaii 1959, is hereby amended to read as follows:

"Section 1. Notwithstanding any other provision of the law to the contrary, employees in per diem positions, employees who formerly filled per diem positions, and former employees who filled per diem positions on or after January 1, 1928, shall be allowed full prior service credit in the employees' retirement system from the date they entered government employment as per diem employees until the date they attain or attained monthly status."

SECTION 4. This Act shall take effect upon its approval.

(Approved May 11, 1960.) **S.B. 238.**

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## ACT 23

An Act Relating to Public Improvements and the Financing Thereof, Making Appropriations for Public Improvements and Making Appropriations Out of General Revenues for the Annual Period Ending June 30, 1961.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. (a) GENERAL FUND PROJECTS. The following sums or so much thereof as shall be sufficient to accomplish the purpose designated by the appropriations, are hereby appropriated, to be ex-



pended by the Department of Accounting and General Services unless otherwise specified in the sub-section, for the annual period ending June 30, 1961 out of moneys in the treasury received from general revenues:

<b>A. CAPITAL IMPROVEMENTS IN THE CITY AND COUNTY OF HONOLULU</b>	
<b>1. BOARD OF AGRICULTURE &amp; CONSERVATION:</b>	
a. Addition to agriculture and forestry building .....	180,000
b. Dog and cat kennels, animal quarantine station .....	20,000
<b>2. DEPARTMENT OF LAND AND NATURAL RESOURCES:</b>	
<b>PARKS</b>	
a. Ualakaa Park .....	30,000
<b>PUBLIC LANDS</b>	
b. Sand Island Development studies. (To be expended by the Land Commissioner.) This appropriation may be supplemented by the Special Land Fund, Oahu, and the project carried out in conjunction with the State Transportation and General Plan..	50,000
<b>3. DEPARTMENT OF TRANSPORTATION:</b>	
<b>HARBOR BOARD</b>	
a. Ala Wai Boat Harbor (To be expended by the Department of Transportation) .....	250,000
b. Haleiwa Beach Park. Beach erosion and wave action model study. (To be expended by the Department of Transportation)	40,000
<b>4. LIBRARY OF HAWAII:</b>	
a. Extension Branch and Library for the Blind (Addition to \$20,000 appropriated by Act 224 SLH 1959) .....	150,000
b. Aiea Branch Library. Plans. (Addition to \$3,000 appropriated by Act 224 SLH 1959) .....	14,000
c. Kaneohe Branch Library in the Kaneohe Civic Center. Land acquisition and plans .....	50,000
d. Hawaii Medical Library. (A construction grant to the Hawaii Medical Library, Incorporated.) (Provided, that the Hawaii Medical Library shall be made available for public use).....	175,000
<b>5. DEPARTMENT OF PUBLIC INSTRUCTION:</b>	
a. Honolulu Technical School, shops and classrooms. (Additions to \$20,000 appropriated by Act 224, SLH 1959) .....	233,100
b. Honolulu Technical School, Electronics Building. (Addition to \$20,000 appropriated by Act 224, SLH 1959) .....	188,800
c. Honolulu Technical School, classroom building. Plans .....	35,000
d. Diamond Head School, classroom building A, Younger Deaf. Plans .....	15,000
e. Diamond Head School, classroom building B, Blind and Intermediate Deaf. Plans .....	12,000
f. Kapiolani Technical School, Classrooms. Plans .....	25,000
Provided, that the structures and appropriations above listed shall not be used for the transfer of the aviation school presently situated at Honolulu Airport.	
<b>6. UNIVERSITY OF HAWAII:</b>	
a. Classroom Building No. 2 and Health Research Institute .....	1,310,000
b. International Gateway House Dormitory, first increment .....	474,000
c. International Gateway House Dormitory, second increment .....	269,000
d. Campus roads, drainage and utilities. (Addition to \$75,000 appropriated by Act 224, SLH 1959) .....	100,000
e. Poultry Science Facilities, Waialea .....	246,000
f. Gartley Hall Renovation .....	56,000
g. Wist Hall Annex No. 1 renovation .....	37,000
h. Inflammable storage facility .....	6,600
<b>7. HEALTH:</b>	
a. New Health Department Building, completion of building .....	16,000
b. Additional land and site improvements, for the Health building within the State Civic Center .....	150,000

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c.	Equipment for New Health Building .....	15,000
d.	Hale Mohalu Flood Control, Bridge construction only .....	55,000
WAIMANO HOME		
e.	Alteration to Social Service Building .....	21,000
f.	Classrooms and hobby shop .....	165,000
g.	Hospital Annex and related facilities. Plans .....	8,500
STATE HOSPITAL		
h.	Extension of sewer system. (Addition to \$25,000 appropriated by Act 224, SLH 1959) .....	25,000
8.	SOCIAL SERVICES:	
BUREAU OF SIGHT CONSERVATION		
a.	Rehabilitation Center for visually and physically handicapped. (Addition to \$25,500 appropriated by Act 224, SLH 1959) .....	147,300
9.	DEFENSE:	
MILITARY		
a.	Ordnance Company Armory, Honolulu .....	77,300
CIVIL DEFENSE		
b.	Fallout protection for Birkheimer Tunnel, Diamond Head Crater .....	50,000
10.	ACCOUNTING AND GENERAL SERVICES:	
a.	State Capitol Building. Preliminary plans and architectural design .....	100,000
b.	Iolani Palace Rehabilitation .....	65,000
c.	Alterations and additions to Budget and Review Department (in the State Office Building) and Iolani Barracks .....	25,000
d.	Public Works maintenance building, Honolulu .....	68,000
11.	JUDICIARY:	
SUPREME COURT		
a.	Remodeling of Supreme Court. (If State General Funds for this project is provided for by any other Act of this legislative session, this appropriation shall become void)* .....	70,000
JUVENILE COURT		
b.	Juvenile Detention Home. Escape-proof walls and blacktopping play areas .....	25,000
12.	CITY AND COUNTY OF HONOLULU:	
(Projects in this subsection shall be expended by the City & County of Honolulu except as otherwise noted.)		
a.	Municipal Auditorium. Construction .....	850,000
b.	Barber's Point to Waianae water development (To be expended by the Board of Water Supply, City & County of Honolulu) ...	1,300,000
c.	<del>Swimming pool construction at Waialua Recreation Center, Waialua, Oahu. (In conjunction with funds collected by the Waialua community) .....</del>	<del>20,000</del>
	[Item vetoed, W.F.Q.]	
d.	<del>Helemano School, Whitmore Village, Wahiawa, Oahu. Paving of outdoor basketball and volleyball court .....</del>	<del>2,000</del>
	[Item vetoed, W.F.Q.]	
e.	<del>Kaala Elementary School, Wahiawa, Oahu. Construction of playground, including paving of outdoor basketball and volleyball court and fencing of said playground area .....</del>	<del>5,500</del>
	[Item vetoed, W.F.Q.]	
f.	<del>Leilehua High School, Wahiawa, Oahu. Construction of rain shelters over existing sidewalks .....</del>	<del>7,000</del>
	[Item vetoed, W.F.Q.]	
g.	<del>New Pearl City Kai School. Plans .....</del>	<del>21,500</del>
	[Item vetoed, W.F.Q.]	

\*See Act 5, s. 1, ante.

<del>h. August Ahrens School. Plans for additional classrooms.....</del>	<del>14,022</del>
	[Item vetoed, W.F.Q.]
<del>i. Kahili War Homes Playground.....</del>	<del>14,500</del>
	[Item vetoed, W.F.Q.]
<del>j. Farrington Community Field House. Plans.....</del>	<del>30,000</del>
	[Item vetoed, W.F.Q.]
<del>k. Kunawai Park development.....</del>	<del>27,522</del>
	[Item vetoed, W.F.Q.]
<del>l. Lanakila School. Plans for cafetorium.....</del>	<del>12,000</del>
	[Item vetoed, W.F.Q.]
<del>m. Kaiulani School Cafetorium. Completion of construction.....</del>	<del>20,000</del>
	[Item vetoed, W.F.Q.]
<del>n. Likelike School Cafetorium. Completion of construction.....</del>	<del>10,522</del>
	[Item vetoed, W.F.Q.]
<del>o. Pauoa School. Additional funds for construction of ten class room, two-story building with toilet facilities.....</del>	<del>40,522</del>
	[Item vetoed, W.F.Q.]
<del>p. Kaimuki High School. Swimming pool construction.....</del>	<del>64,662</del>
	[Item vetoed, W.F.Q.]
<del>q. Park, end of Perry Street, Kalihi-uka.....</del>	<del>25,000</del>
	[Item vetoed, W.F.Q.]
<del>r. Waialae Elementary School. Additional funds for land acquisi- tion.....</del>	<del>64,522</del>
	[Item vetoed, W.F.Q.]

B. CAPITAL IMPROVEMENTS IN MAUI COUNTY:

1. BOARD OF AGRICULTURE & CONSERVATION:	
a. Forest development roads, Molokai.....	16,000
2. ECONOMIC DEVELOPMENT:	
a. Cattle Producing Study (To be expended by the Department of Economic Development by contract with the Hawaii State Livestock Association) .....	5,000
3. LAND AND NATURAL RESOURCES:	
PARKS DIVISION	
a. Iao Valley Park.....	10,000
HAWAII WATER AUTHORITY	
b. Molokai Irrigation and Water Utilization Project. (Planning of a transmission line by the Hawaii Water Authority).....	65,000
c. Kihei Water Project. (To be expended by the Maui County Water Department) .....	800,000
d. Kula Water Development. (To be expended by the Maui County Water Department).....	530,000
4. TRANSPORTATION:	
(To be expended by the Department of Transportation.)	
HARBOR BOARD	
a. Lahaina small boat harbor. Mooring facilities and ramp. (Ad- dition to \$30,000 available in appropriation made by Act 265, SLH 1959) .....	60,000
HIGHWAY	
b. Haleakala Road. Plans.....	40,000
5. UNIVERSITY OF HAWAII:	
a. Kula Experiment Station. Land, construction, and equipment..	80,000
6. KALAUPAPA SETTLEMENT:	
a. Reinforcement of water pipeline, Waikolu Valley.....	10,000
7. KULA SANATORIUM:	
a. Cold Storage conversion to Freon System. (Addition to \$1,800 appropriated by Act 224 SLH 1959).....	3,200
b. Conversion of second floor to Chronic Bed Program.....	10,000
8. ACCOUNTING AND GENERAL SERVICES:	
a. Lahainaluna School. Reservoir and pipeline.....	100,000

b.	Lahainaluna Dormitory. Furniture, fixtures, and equipment and to supplement \$300,000 appropriation made by Act 224, SLH 1959 .....	88,000
c.	State Building, Maui. Land acquisition .....	180,000
d.	New Waiehu Golf Course Clubhouse. (To be expended by the County of Maui) .....	75,000
e.	Wailuku War Memorial Convention Hall—Gymnasium. (To be expended by the County of Maui) .....	300,000
9.	<b>SECOND CIRCUIT COURT:</b>	
a.	Maui Detention Home. (Addition to \$65,000 appropriated by Act 270 SLH 1959.) (Final plans to be approved by the judge of the Second Circuit Court) .....	10,000
b.	Renovation of Second Circuit Court Building. (Final plans to be approved by the judge of the Second Circuit Court) .....	100,000
10.	<b>MAUI COUNTY:</b>	
a.	Master Plans for Molokai. (To be expended by Maui County Planning and Traffic Commission) .....	15,000
C.	<b>PUBLIC IMPROVEMENTS IN HAWAII COUNTY:</b>	
1.	<b>BOARD OF AGRICULTURE AND CONSERVATION:</b>	
a.	Fumigation and office building, Hilo .....	40,000
b.	Maunakea game management area. Roads, fencing, cabins and other facilities .....	15,000
2.	<b>DEPARTMENT OF LAND AND NATURAL RESOURCES:</b>	
	<b>PARKS DIVISION</b>	
a.	Waiakea mill pond and botanical garden .....	80,000
	(Provided that the above amount shall be expended first for the development of the Waiakea Mill Pond and any remaining balances shall be expended by the Parks Division of the Department of Land and Natural Resources for the development of the Waiakea Mill Pond Botanical Garden.)	
b.	Akaka Falls Park improvements .....	15,000
c.	Akaka Falls Park, new access road .....	63,000
	<b>PUBLIC LANDS</b>	
d.	Preparation of public lands for exchange with victims of 1955 Puna eruption. (To be expended by the Land Commissioner) .....	34,130
e.	Waiakea Development, Hilo. Addition to \$176,000 appropriated by Act 224 SLH 1959. (To be expended by the Land Commissioner) .....	200,000
	<b>HAWAII WATER AUTHORITY</b>	
f.	Water development, Kurtistown. (To be expended by the Hawaii County Board of Water Supply) .....	65,000
g.	Puna Water Development. (To be expended by the Hawaii County Board of Water Supply subject to approval of plans by the Hawaii Water Authority) .....	135,000
h.	Hamakua Water Development. (To be expended by the Hawaii County Board of Water Supply) .....	100,000
i.	Kona Water Development. Plans and construction of transmission line in north and south Kona. (To be expended by the Hawaii Water Authority) .....	600,000
j.	Kawaihae water system, study and plans. (To be expended by the Hawaii Water Authority) .....	75,000
3.	<b>DEPARTMENT OF TRANSPORTATION:</b>	
	(Appropriations in this section to be expended by the Department of Transportation.)	
	<b>HARBORS</b>	
a.	Small boat harbors, Kona. Preliminary Plans .....	60,000
	<b>AERONAUTICS</b>	
b.	General Lyman Field, Hilo. Land acquisition and planning for runway extension .....	300,000

c. Kona airport relocation. Study and recommendations.....	50,000
d. Kona airport. Parking area and waiting room expansion.....	50,000
e. Hilo airport. Plans for jet terminal for passengers and cargoes	33,000
<b>HIGHWAYS</b>	
f. Hilo-Olaa Highway .....	50,333
g. Puna roads. Coastal highway between Kaimu and Kapoho in accordance with Visitor Destination Areas Study.....	436,000
h. Kawaihae-Puako Road. Plans for realignment.....	50,000
i. Road from Keokea Junction towards City of Refuge.....	150,000
j. Kohala Mountain Road.....	65,000
k. Construction and resurfacing Kapaau to Pololu Valley Road..	75,000
l. Pedestrian overpasses at Hakalau and at Papaikou, Hamakua Belt Road .....	45,000
m. Hamakua, Nanawale, Pohakea Forest Reserve roads.....	50,000
<b>4. UNIVERSITY OF HAWAII:</b>	
a. Planning, construction, books and equipment for a new library and improvements to physical education facilities, Hilo Campus	190,000
<del>b. Plans for oceanarium-aquarium, Hilo.....</del>	<del>17,000</del>
	[Item vetoed, W.F.Q.]
<b>5. ACCOUNTING AND GENERAL SERVICES:</b>	
a. Government Building, Kona. Plans and land acquisition.....	5,000
<del>b. Laupahoehoe Gymnasium. Construction.....</del>	<del>100,000</del>
	[Item vetoed, W.F.Q.]
<b>D. PUBLIC IMPROVEMENTS IN KAUAI COUNTY:</b>	
<b>1. BOARD OF AGRICULTURE AND CONSERVATION:</b>	
a. Lihue Nursery .....	27,500
b. Forest development trails, Kauai.....	10,000
<b>2. LAND AND NATURAL RESOURCES:</b>	
<b>PARKS DIVISION</b>	
a. Wailua River Park.....	25,000
<b>PUBLIC LANDS</b>	
b. Kapaa swamp development.....	75,000
<b>HAWAII WATER AUTHORITY</b>	
(Items D-2 c, d, e, and f are to be expended by the Hawaii Water Authority, provided, that if the Kauai County Water Works Board is established before these funds are allotted, the funds shall be expended by the Kauai County Water Works Board.)	
c. Poipu, Kukuiula, Lawai (Koloa) Water System.....	180,000
d. Lihue Water System.....	170,000
e. Wailua, Waipouli (Kawaihao) Water System.....	286,315
f. Hanalei Water System.....	80,000
g. Hanapepe Irrigation Ditch. Concrete lining for ditch. (To be contracted by the Board of Supervisors, County of Kauai).....	25,000
<b>3. TRANSPORTATION:</b>	
(Items in this subsection to be expended by the Department of Transportation.)	
<b>HARBOR BOARD</b>	
a. Produce shed, Nawiliwili.....	15,000
b. Port Allen Small Boat Harbor.....	165,000
c. Kikiaola small boat harbor. Dredging, bulkhead and moorings	90,000
d. Lihue Airport improvements.....	258,000
<b>4. UNIVERSITY OF HAWAII:</b>	
a. Kauai Branch Agricultural Experiment Station. (Addition to \$31,200 appropriated by Act 224 SLH 1959).....	110,600
<b>5. DEFENSE:</b>	
a. National Guard Rifle Range, Kekaha.....	40,000

6. ACCOUNTING AND GENERAL SERVICES:

- a. Salt Pond Beach Area development..... 200,000  
 (\$50,000 to be expended by the Department of Accounting and General Services for site development of the Salt Pond area and \$150,000 to be expended for domestic water development by the Hawaii Water Authority, provided, that if the Kauai County Water Works Board is established before the funds are allotted, the funds for water development shall be expended by the Kauai County Water Board.)

SECTION 2. The Comptroller, as director of the department of accounting and general services, is authorized to delegate to the departments or agencies the planning and construction of projects in section 1 when it is determined by him that it is more advantageous to do so. In the event that reorganization of the state government is not completed for those expending agencies specified in section 1 at the time of the effective date of this act, the department of accounting and general services shall be the expending agency, and the Comptroller may delegate to the appropriate departments and agencies the planning and construction of projects listed in section 1.

SECTION 3. The appropriations in section 1 include, where necessary, land acquisition, plans, improvements to land, construction, and necessary equipment.

SECTION 4. The governor, upon recommendation of the director of state planning and the director of the department of budget and review, shall initiate and/or allot funds for authorized projects taking into consideration the general condition of the general fund of the state and the general economic condition of the state. The governor shall have authority to defer projects for reconsideration by the ensuing legislature whenever it is determined (1) that the amount appropriated is insufficient to accomplish the purpose for which the appropriation is made, and (2) that the fiscal condition of the state does not warrant expenditure of the appropriated funds. Such deferment shall be reported to the next legislature, at least 20 days prior to its convening, and shall be accompanied with the reason or reasons therefor.

SECTION 5. Upon certification by the expending agency that the purpose of the appropriation has been accomplished and all financial obligations incurred have been met, or when it is determined by the expending agency that the amount specified in any item in Section 1 shall not be wholly required to complete the work of such items, the unrequired balances may be expended for any other item in the same county in the section, with the approval of the governor, if there is any item where the amount appropriated for that item is insufficient to accomplish the purpose for which the appropriation is made. If there are any unrequired balances after the requirement of the preceding sentence has been fulfilled, then such amount or amounts shall lapse into the general fund. Such transfers or anticipated lapsing shall be reported to the next legislature, at least 20 days prior to its convening and shall be accompanied with the reason or reasons therefor.

SECTION 6. The acquisition of land and the construction of buildings shall be subject to the approval of the governor upon recommendation of the director of state planning as to what lands should be utilized

or purchased, and as to type, size, arrangement, use and exterior architectural design of the authorized structure.

SECTION 7. In the event that no funds are allotted by the governor for any project in section 1 during the annual period ending June 30, 1961, authorization for such projects shall lapse as of June 30, 1961.

SECTION 8. FEDERAL FUNDS. Where the governor or any agency of any government unit is able to secure federal funds made available under any Act of the Congress of the United States to be expended in connection with or for the planning and/or construction of any of the projects or works authorized by this Act, the governor or agency shall have the power to enter into such undertaking with the proper officers or agencies of the federal government.

SECTION 9. SEVERABILITY. If any portion of this Act or its application to any person or circumstances is held to be invalid for any reason, then the legislature hereby declares that the remainder of this Act and each and every other provision thereof shall not be affected hereby.

SECTION 10. This Act shall take effect upon its approval.

(Approved May 11, 1960, subject to item veto of items as stricken and initialed by the Governor.) **S.B. 38.**

#### ACT 24

An Act to Amend Chapter 117 of the Revised Laws of Hawaii 1955, as Amended, Relating to the General Excise Tax Law, to Provide for the Reduction in the General Excise Tax Imposed Upon Insurance Solicitors with Respect to Their Commissions.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 117-14 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding thereto subsection (f-1) to read as follows:

“(f-1) Tax on Insurance Solicitors. Upon every person engaged as a licensed solicitor pursuant to Chapter 181, there is hereby levied and shall be assessed and collected a tax equal to one and one half per cent of the commissions due to such activity.”

SECTION 2. This Act shall take effect on July 1, 1960.

(Approved May 11, 1960.) **S.B. 42.**

#### ACT 25

An Act Amending Chapter 117, Revised Laws of Hawaii 1955, as Amended, Relating to General Excise Tax to Exempt Grower-Processors of Acerola.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Chapter 117, Revised Laws of Hawaii 1955, as amended,

**ACT 26**

is hereby further amended by adding thereto a new section to be numbered and to read in the following manner:

"117-24.3. Exemption of 'Grower-Processor' of acerola. The provisions of this chapter shall not apply to the 'grower-processor' of acerola in respect to the value and to the gross proceeds of sales of acerola grown and processed in the State of Hawaii, and such value and gross proceeds of sale shall be exempt from the tax imposed by this chapter for a period of five years from January 1, 1960."

SECTION 2. This Act shall take effect upon its approval.

(Approved May 11, 1960.) **S.B. 87.**

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**ACT 26**

An Act to Amend Section 124-4, Revised Laws of Hawaii 1955, as Amended, to Exempt Ti Root Okolehao Distilled in the State of Hawaii, from the 16% Alcohol Tax.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 124-4, Revised Laws of Hawaii 1955, as amended, is hereby further amended by deleting the word "or" before subsection (e) and changing the period at the end of subsection (e) to a semicolon and adding:

" ; or (f) ti root okolehao distilled in the State of Hawaii, for a period of five years."

SECTION 2. This Act shall take effect upon its approval.

(Approved May 11, 1960.) **S.B. 88.**



**Session Laws Of Hawaii**

**Passed By The**

**First State Legislature**

**Special Session**

**1960**

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**ACT 1**

A Bill for An Act Making An Appropriation for a New Waiakea Intermediate School, Hilo, Hawaii.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. There is hereby appropriated out of the general revenues of the State of Hawaii, not otherwise appropriated, the sum of \$117,000, or so much thereof as may be necessary, to the county of Hawaii for the purpose of aiding in the construction of a new Waiakea Intermediate School, Hilo, Hawaii; provided that any uncommitted funds on June 30, 1961, shall revert to the general fund of the State.

SECTION 2. This Act shall take effect upon its approval.

(Approved June 29, 1960.) **H.B. 8.**

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**ACT 2**

A Bill for An Act Making An Appropriation for Tsunami Wave Research.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. There is hereby appropriated out of the general revenues of the State of Hawaii the sum of \$60,000 to the Hawaii Institute of Geophysics, University of Hawaii, to be expended for the purpose of tsunami wave research.

SECTION 2. This Act shall take effect upon its approval.

(Approved July 4, 1960.) **H.B. 20.**

**ACT 3**

A Bill for An Act Relating to the Redevelopment of Areas of Hilo Devastated by Tsunami by Authorizing the Issuance of State General Obligation Bonds and by Making Appropriations.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. There is hereby appropriated from the general revenues of the State, not otherwise appropriated, the sum of \$25,000 or so much thereof as may be necessary to the Hawaii Redevelopment Agency to be expended for the purpose of preliminary organizational expenses, administrative expenses and overhead of the agency, and necessary costs relating to the redevelopment of the area of the City of Hilo devastated by the tsunami of May 23, 1960. The funds appropriated hereunder shall be expended by the Hawaii Redevelopment Agency pursuant to the provisions of Chapter 143 of the Revised Laws of Hawaii 1955, as amended.

SECTION 2. The Department of Budget and Review is hereby authorized to issue State general obligation bonds as and in the manner provided by law in the sum of \$2,500,000, or so much thereof as may be necessary, for the purpose of paying the local government's share of a redevelopment project undertaken with Federal financial assistance covering all or part of an area of the City of Hilo damaged by the tsunami of May 23, 1960. The proceeds of such bond sale, or so much thereof as may be necessary, are hereby appropriated to the County of Hawaii for the purpose of assuring and paying, when needed, the amount of the local cash grant-in-aid for such redevelopment project as may be required under any contract for Federal financial assistance for such project.

Provided, that if such project is not commenced by the Hawaii Redevelopment Agency within the period required by applicable Federal Law to qualify for such financial assistance, this section shall be null and void. Provided further, that if the amount of the actual bond sales are less than the \$2,500,000 bond authorization provided for in this section, the excess authorization shall lapse. Provided further, that if the proceeds of such bond sales exceed the requirements of the final local cash grant-in-aid, the excess funds shall revert to the general fund of the State and such amount shall be used to reduce the outstanding debt of the County of Hawaii under the provisions of this Act.

SECTION 3. The County of Hawaii shall pay to the State of Hawaii on the interest dates of such bonds issued by the State under this Act, the interest as shall from time to time become due thereon. No payments shall be required to be made by the County of Hawaii to the State on account of the principal of such bonds, except as provided for in the last proviso of Section 2 above, until three years after the date of sale thereof. Thereafter equal periodic payments, at such dates as prescribed by the Department of Budget and Review shall be made by said County to the State so as to liquidate both the principal of bonds issued hereunder and expended for the local cash grant-in-aid for such project and interest thereon within twenty years of the date of sale.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 6, 1960.) **S.B. 4.**

## ACT 4

A Bill for An Act Relating to Public Lands and the Disposition Thereof to Victims of a Natural Disaster.

*Be it Enacted by the Legislature of the State of Hawaii:*

**SECTION 1. Definitions.** As used in this Act:

(a) "Disaster area" means an area proclaimed by the Governor to be a disaster area;

(b) "Natural disaster" means any disaster caused by seismic or tidal wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake or flood;

(c) "Board" means the board of land and natural resources; and

(d) "Person" means an individual (citizen and non-citizen), partnership, corporation and association.

**SECTION 2. Purpose.** In the past natural disasters have struck the state of Hawaii and have devastated large tracts of lands and caused the necessity for immediate relocation of persons from the devastated areas.

It is the purpose of this Act, in the public interest, to protect human life and property and to provide for immediate relocation and rehabilitation of disaster victims by making public lands available in the manner hereinafter provided.

**SECTION 3. Authorization.** Notwithstanding any law to the contrary, the board, by a two-thirds vote, is authorized to dispose of public lands to victims of a natural disaster by direct negotiations and without recourse to public auction for other than residential or agricultural purposes as hereinafter provided.

(a) To effectuate such disposition for the purpose of relocating victims on public lands and placing them in circumstances similar to those which existed prior to the natural disaster, the board shall:

(1) Do the subdividing and improvement of such lands to be disposed of, including roads, in conformity with applicable zoning and subdivision ordinances and good city planning;

(2) Lease such lands at fair market rental as determined by the board based on appraisals by at least one (1) but not more than three (3) disinterested appraisers, provided that the board shall waive rental for the first two years of the term of the lease;

(3) Limit the size of any lot leased under this Act in accord with need and use, provided that such lot shall not exceed four (4) acres of usable land;

(4) Lease only one lot to a person eligible under this Act, provided that if such person owned, leased or occupied another lot for another use, the board may lease a maximum of two (2) lots to such person if there is a different use for each lot;

(5) Include in the instrument of lease, in addition to other terms and conditions, the following:

(a) That the lessee shall be required to use the leased lands for the first five (5) years of the term of the lease for the same business use or undertaking in which the lessee was engaged at the time of the natural disaster or a use designated by the board;

(b) That the lessee will complete the construction of improvements required under his lease within one (1) year from the commencement of the lease unless the board extends the time of completion and that if the lessee defaults with respect to the construction of such improvements, and after proper notice fails to remedy or cure such default, the board may at its option declare a forfeiture of all the right, title and interest of the lessee in and to the leased land;

(c) That the lessee shall not assign, mortgage or sublet the whole of the leasehold premises without the prior approval of the board, provided that the lessee may sublet a part of the leasehold premises without approval of the board; and

(d) That the board may re-determine and renegotiate the lease rental of the leasehold at subsequent intervals during the lease term in the manner and at periods determined to be proper by the board.

(6) Conform each lease pursuant to the provisions of Chapter 99 of the Revised Laws of Hawaii 1955, as amended, except as otherwise provided by this Act.

**SECTION 4. Option to purchase.** If private land in a disaster area owned by a person leasing public land under this Act is condemned or purchased by negotiation for a public purpose by a governmental agency within the first two years of the term of the lease of such lessee, such person shall have the option to purchase in fee simple the public land leased under this Act.

If private land in a disaster area owned at the time of the natural disaster by a lessee under this Act is not condemned or purchased by negotiation for a public purpose by a governmental agency within the first two years of the term of the lease of such lessee, such person shall have the option to purchase in fee simple the public land leased under this Act, provided that such lessee first offers the board a period of six (6) months in which to exercise an option to purchase in fee simple his private land in the disaster area which he held at the time of the natural disaster. Such offer shall be made to the board by the lessee within thirty (30) calendar days next following the first two years of the term of the lease of the lessee. The lessee shall then have a period of six (6) months next following the board's rejection or exercise of its option in which to reject or exercise his option to purchase such public lands. The acquisition or purchase of such private land in a disaster area by the board under this Act is declared to be for a public purpose.

During the period that the board and the lessee are considering their respective options to purchase, the board shall waive the lease rental of the lessee.

Public land under lease shall be sold and such private land of the lessee shall be purchased at fair market value as determined by two appraisers, one of whom shall be selected by the board and one by the lessee. If the two appraisers cannot agree to the fair market value, they shall mutually agree upon the selection of a third appraiser whose appraisal shall be final. The costs of appraisal shall be borne equally between the board and the lessee. The fair market value shall not include the value of improvements erected by the lessee and shall be determined as if the premises were not subject to the lease or to any mortgage made by the lessee.

**SECTION 5. Applications.** All applications for a lease shall be filed with the board within three (3) months after the date of the natural disaster, provided that the board may extend the time for filing applications for an additional period not to exceed three (3) months.

**SECTION 6. Eligibility.** A person shall be eligible to apply for a lease under this Act if he was an owner, lessee or tenant in actual possession of real property in a disaster area and whose business activity or undertaking, not primarily agricultural in character, was substantially destroyed or made unsuitable on or after May 22, 1960, by a natural disaster and whose property or the property on which he is a lessee or tenant was substantially damaged on or after May 22, 1960, by a natural disaster so as to be unfit or economically unfit for the purpose or use made prior to the disaster, provided that an owner or lessor not in actual possession of his property shall not be eligible unless he first fully releases all lessees or tenants from all obligations under his lease or agreement of tenancy.

Property shall be deemed unfit or economically unfit for the purpose or use made prior to the disaster when so determined by the board, which determination shall be final, or if any law, ordinance or regulation of any governmental agency prohibits the construction of improvements on land in a disaster area.

The determination by the board as to who is an eligible applicant shall be final.

**SECTION 7. Notice of availability of leases; selection of lessees.** Notice of availability of land to be offered to qualified applicants for lease shall be by publication for a period of not less than fifteen (15) days in one or more newspapers of general circulation, published in the county in which the land is located. Such notice shall contain, in addition to such other information as the board deems proper, a reference to the qualification of applicants, a brief description of the land to be leased as to locality, area, and quality, with reference to the survey, and the date by which applications must be filed for the land so made available. The board shall, as soon as practicable following the closing date for applications, review the qualifications of the several applicants, determine their respective needs, fix the terms, covenants and conditions of leases to be issued as more particularly provided in Section 3 herein, and, within the limits of availability of the land for which notice shall have been published as aforesaid, issue leases to selected applicants.

**SECTION 8. Amendment of Act 19, Budget Session Laws of 1960.** Section 2, 3. (a) of Act 19, Budget Session Laws of 1960 is amended to read as follows:

“(a) Such land shall be used only for residential purposes for a period of ten (10) years following the date of such conveyance or lease, which restriction shall be in the form of a covenant running with the land and enforceable by the board of land and natural resources or by any surrounding owner or lessee of state land that is subject to the same restriction; and”

**SECTION 9. Existing public leases.** Where a person has an unexpired lease, including residential leases, of public land damaged by a natural disaster and rebuilding on such land is not prohibited, the

ACT 5

board, by a two-thirds vote, is authorized to negotiate an extension of such lease to make it economically feasible to rebuild or may, by mutual agreement with the lessee, cancel the unexpired term of such lease and/or renegotiate a new lease with such person.

**SECTION 10. Severability.** Any portion of this Act judicially declared to be invalid shall not affect the remaining portions.

**SECTION 11. Effective date.** This Act shall take effect upon its approval.

(Approved July 6, 1960.) **H.B. 1.**

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ACT 5

A Bill for An Act Amending Chapter 143 of the Revised Laws of Hawaii, 1955, As Amended, Authorizing the Undertaking and Carrying Out of Urban Renewal Project in Disaster Areas; Providing for the Relocation of Persons Displaced from Disaster Areas, and Providing for the Early Acquisition of Real Property.

*Be it Enacted by the Legislature of the State of Hawaii:*

**SECTION 1.** Chapter 143 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding a new section to be designated Section 143-7.1 to read as follows:

**"143-7.1. Urban Renewal Projects in Disaster Areas.** Notwithstanding any other provisions of this Chapter, where the board of supervisors of a county certified that an area within the county is in need of renewal, redevelopment or rehabilitation as a result of a seismic wave, flood, fire, hurricane, earthquake, storm, volcanic activity, explosion, or other catastrophe, natural or man-made (herein called "disaster area") respecting which the Governor of the State has certified the need for disaster assistance under Public Law 875, Eighty-first Congress, or other Federal law, the board of supervisors of a county may approve an urban renewal plan and an urban renewal project with respect to such area without regard to:

(a) the provisions of this Chapter as follows: subsections (j) and (p) of section 143-2; the proviso of the first sentence of subsection (d) of section 143-6; the requirements for housing of displaced families, approval of the plan by planning commission, public hearings and findings required by the board of supervisors prior to the approval of the plan as contained in section 143-7, provided, that the limitation of time in which to contest validity of the proceedings or of the renewal plan provided in section 143-7 in the case of an urban renewal project for disaster areas shall be twenty (20) days instead of thirty days; the exceptions set forth in the second sentence of section 143-20; the proviso in clause (a) of the second sentence of section 143-20.1 and section 143-61; and

(b) any of the provisions of this Chapter requiring public hearings or requiring that the urban renewal plan conform to the master plan for the development of the county or locality as a whole, or that the urban renewal area be a slum area, or a blighted, deteriorated, or deter-

iorating area, or that the urban renewal area be predominantly residential in character or be developed or redeveloped for residential use. In the preparation, planning, financing, acquisition and disposal of real property, and the execution generally of an urban renewal project for disaster areas, an agency shall have all of the rights, powers, privileges and immunities conferred upon such agency by this Chapter including any amendment thereof or addition thereto, or by any other law, in the same manner as though all provisions of law relating to urban renewal projects were applicable to the redevelopment and renewal of such disaster areas as in this section provided, subject to the exceptions hereinabove set forth."

SECTION 2. Section 143-8 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended by adding a new paragraph at the end thereof to read as follows:

"In the event the improvements on any private real property located in any proposed redevelopment area (1) are destroyed by seismic wave, flood, fire, hurricane, earthquake, storm, volcanic activity, explosion, or other catastrophe, natural or man-made, or (2) are declared by an appropriate state or local authority to be unsafe or unfit for human use or habitation, or (3) the owner or owners thereof are unable or unwilling to improve such property in accordance with the land uses in the proposed redevelopment plan and are willing to sell such property to the agency, the agency may, any provision of the law to the contrary notwithstanding and in addition to any authority granted to it, acquire such private real property in such proposed redevelopment area by negotiated purchase from such owner or owners and undertake work thereon as provided in Section 143-9, Revised Laws of Hawaii 1955, upon authorization from the board, by resolution of one reading to purchase such real property, regardless of the stage of development of the redevelopment plan therefor, whether or not the plan has been officially approved by the board or the period of 30 days following such approval has expired. The agency shall not sell, transfer, convey or otherwise dispose of such real property, except in connection with first mortgages or other prior liens upon such real property to the Federal Government for the purpose of securing loans or advances of money made available to the Agency, until the redevelopment plan is approved by the board, but in the event that said plan is not approved by the board or is amended to exclude such acquired real property from the redevelopment area or the redevelopment plan is abandoned for any reason, the agency shall dispose of such real property, subject, however, to any first mortgage or other prior lien of Federal Government upon such real property, by first offering the same to the former owner or owners for repurchase at the same price paid by the agency for the purchase thereof and if such owner or owners refuse or fail within a reasonable time to exercise such right of repurchase, then the same may be sold at public auction or in the manner provided by law."

SECTION 3. Section 143-20 of the Revised Laws of Hawaii 1955, is hereby amended to read as follows:

"Section 143-20. **Auxiliary redevelopment area.** Where an agency finds: (a) that there is a shortage of decent, safe and sanitary housing in the county; (b) that the provision of decent, safe and sanitary dwelling

accommodations on undeveloped vacant land, not within a blighted area, is necessary to accomplish the relocation of families to be displaced from blighted areas which are to be redeveloped or displaced from disaster areas as defined in this chapter; and (c) that the acquisition of a particularly described area of such undeveloped vacant land (hereinafter called an "auxiliary redevelopment area"), suitable for development for predominantly residential uses and so characterized in the master plan, is essential to the proper clearance or redevelopment of blighted or disaster areas or a necessary part of the general program for clearance or redevelopment of blighted or disaster areas in the county; then, subject to the conditions hereinafter stated, the acquisition, planning, preparation for development or disposal of such auxiliary redevelopment area shall constitute a redevelopment project which may be undertaken by the agency in the manner provided by this part. The procedure for the preparation, submission, and the final approval, amendment and approval, or disapproval, of such redevelopment project, and subsequent proceedings with respect thereto, shall be the same, as nearly as may be, as in the case of other redevelopment projects, except that: (a) the board shall not approve such plan or project unless it shall by resolution, concur in every finding of the agency required by this section and also find that such auxiliary redevelopment area will be developed for predominantly residential uses; (b) the requirement of a finding that the redevelopment project is in a blighted area prescribed by section 143-7 shall not be applicable; and (c) the auxiliary redevelopment area must be: (1) within the City of Honolulu, as defined by section 149-2, if the blighted or disaster area or areas to be cleared or redeveloped be within the City of Honolulu; (2) within the City of Hilo, as defined by section 146-1, if such blighted or disaster area or areas be within the City of Hilo; or (3) within fifteen miles of such blighted or disaster area, or one of such blighted or disaster areas, if such blighted or disaster area or areas be located elsewhere than in the cities of Honolulu and Hilo."

SECTION 4. Section 143-20.1, Revised Laws of Hawaii 1955, as amended, is hereby further amended to read as follows:

"Section 143-20.1. **Same, displaced persons.** Where the redevelopment agency of a county finds: (a) that there is a shortage of decent, safe and sanitary housing in the county; (b) that the provision of decent, safe and sanitary housing for rent or dwelling units for sale on undeveloped vacant land is necessary to accomplish the relocation of families displaced or to be displaced from areas acquired by governmental agencies for public purposes or displaced from disaster areas as defined by this chapter; and (c) that the acquisition of a fee or leasehold interest of a particularly described area of such undeveloped vacant land in a county (hereinafter also called an auxiliary redevelopment project), suitable for development for predominantly residential uses and so characterized in the master plan, is essential to provide for the development of housing facilities at rent such displaced families can afford or of dwelling units at prices such displaced families can pay, then the planning, acquisition, preparation for development or disposal of such auxiliary redevelopment area shall constitute a redevelopment project which may be undertaken by the agency in the manner provided by this chapter."



'Undeveloped vacant' land as used in this section shall include:

(a) as applied to the City and County of Honolulu, any land therein which is free or substantially free of buildings, structures or other improvements thereon and shall include any land devoted to farm, pasturage or other agricultural uses, provided, that no land in any agricultural use situated outside the District of Honolulu, excepting those situate in the ahupuaas of Halawa and Aiea inclusive, shall be taken or utilized for auxiliary redevelopment projects under this section.

(b) any land within a redevelopment project area acquired and cleared by the agency, which land, at the time of its disposition, is found by the agency to be suitable and necessary to relocate displaced families as provided in this section.

The procedure and exceptions set forth in section 143-20 (but excluding exception (c) (1) therein) shall apply to any such projects; provided, that pursuant to the provisions of section 8-5, the agency may take and acquire any estate less than a fee simple estate in undeveloped vacant lands whenever it shall appear that the purposes of this section shall be best achieved and promoted by such taking.

Where the redevelopment plan for such project makes provision for the development of housing facilities for rent, the agency shall sell, lease or sublease such land to qualified developers at its fair value for use in accordance with the redevelopment plan, such value to reflect the restrictions imposed on developers and covenants running with such project land, including restrictions on rent ceilings and modification thereof which the agency is hereby authorized to impose by regulation for a period up to thirty years for such development in order to achieve private ownership and operation of such properties at a reasonable profit while providing for rentals which displaced families can afford.

Where the redevelopment plan for such project makes provision for the subdivision and development of such land for single family dwelling units for sale to such displaced families, the agency shall sell such land to qualified developers at its fair value for development and use in accordance with such redevelopment plan, such value to reflect the restrictions imposed on developers and covenants running with such project lands to limit the price of sale thereof to prices which displaced families can afford while permitting developers a reasonable profit therefrom, and to prevent speculative resale thereof by purchasers and their assigns.

All developers of auxiliary redevelopment projects authorized by this section shall be entitled to claim exemption or relief from taxes as provided by section 143-37 for all project lands and improvements providing for housing facilities for rent to families displaced from public projects or from disaster areas.

SECTION 5. This Act shall take effect upon its approval.

(Approved July 6, 1960.) **H.B. 2.**

## ACT 6

A Bill for An Act Providing for State Disaster Commercial Loans to Rehabilitate Businessmen and Businesses Suffering Losses Resulting from a Disaster Occurring on or after May 23, 1960, and Making An Appropriation.

*Be it Enacted by the Legislature of the State of Hawaii:*

**SECTION 1. Declaration of Policy.** The State recognizes the importance of small-business concerns and their significant contribution to our total economic system. Disasters have plagued mankind since the beginning of time, and in recent years this State has experienced such disasters which have gravely affected the economic well-being of small-business concerns. Disasters have caused total as well as partial losses to such small-business concerns in disaster areas, placing in jeopardy the economic continuity of the disaster area and the resultant adverse effect upon the total economy of the State. The economic injury suffered requires financial assistance to rehabilitate and preserve such businesses. To meet such needs the United States Government created the Small Business Administration Disaster Loan Program to aid and assist small-business concerns which have suffered a substantial economic injury. While the Small Business Administration Disaster Loan Program is a rather liberal one, certain standards, limitations and requirements for approval of financial assistance may result in inability on the part of a disaster victim to obtain sufficient funds with which to return to business. It is therefore the declared policy of this State that the government should aid and assist disaster victims within disaster areas, where the financial assistance of the Small Business Administration Disaster Loan Program is either not available to the victim or if available is insufficient to rehabilitate such victim to the pre-disaster level.

**SECTION 2. Definitions.** The following terms, whenever used in this Act, shall have the following respective meanings:

(a) "Small Business Administration" shall mean the Small Business Administration of the United States.

(b) "Small Business Administration Disaster Loan Program" shall mean the disaster loan feature of the Small Business Administration.

(c) "Disaster" shall include a tsunami, flood, fire, explosion, hurricane, earthquake, storm, volcanic activity or any other catastrophe.

(d) "Disaster area" shall refer to any area affected by a disaster and proclaimed as a disaster area by the administrator of the Small Business Administration whose proclamation shall be required as a condition precedent to the availability of the Small Business Administration Disaster Loan Program.

**SECTION 3. Administration.** The Director of the department of economic development of this state, herein referred to as the "Administrator", is hereby designated as the administrator responsible for the administration of this Act.

**SECTION 4. Powers of the Administrator.** The administrator shall:

(a) Make loans for the purpose and according to the provisions of this Act.

(b) Promulgate rules and regulations to carry out the purposes of

this Act, provided that such rules and regulations shall not be required in making loans for the tsunami disaster of May 23, 1960 or any other disaster occurring within six (6) months from the effective date of this Act.

**SECTION 5. Purposes of Loans.** Loans may be made for the following purposes: to purchase inventory, equipment and machinery; to construct, repair or restore buildings; to provide operating funds; and to re-finance outstanding business loans on equipment and or buildings; provided, that the loans shall be used to rehabilitate the business of the disaster victim as nearly as possible to its pre-disaster level; and provided further, that the loans shall not be used to begin a business substantially different from the one the disaster victim was engaged in prior to the disaster. Business concerns which were non-owners of buildings prior to the disaster shall not be precluded from obtaining building loans under the provisions of this Act.

**SECTION 6. Eligibility for Loans.** Loans may be made to individuals, partnerships, corporations, cooperatives or other business associations, but only if the applicant:

- (a) Suffered loss of or damage to business property in a disaster area as a result of a disaster occurring on or after May 23, 1960; and
- (b) Had operated an industrial, manufacturing, processing, wholesaling or retailing business, or professional or service business, or building rental business, immediately prior to such disaster; and
- (c) Presents a suitable program for rehabilitation or re-establishment of the business to the pre-disaster level; and
- (d) Has reasonable ability to repay the loan; and
- (e) Presents written evidence that the Small Business Administration has declined an application for financial assistance under the Small Business Administration Disaster Loan Program or has reduced the amount of the loan request, provided; that such declination was not due to the applicant's having sufficient financial resources to rehabilitate himself; or
- (f) Cannot secure any loans from the Small Business Administration Disaster Loan Program because the making of such loans is not covered by said program, and the administrator is reasonably satisfied that the applicant is not able to secure loans from private lending institutions under comparable terms as provided in this Act. This subsection shall be applied in the alternative with respect to subsection 6(e) only.

**SECTION 7. Terms.**

- (a) The amount of loans to any one applicant shall in no case exceed \$25,000.
- (b) No loan shall be made for a term exceeding twenty (20) years.
- (c) Each loan shall bear simple interest at the rate of four per cent (4%) per annum.
- (d) The commencement date for the repayment of the first installment on principal only for each loan may be deferred for a period of six (6) months from the date of the loan.

**SECTION 8. Security for Loans.** Although security for any loan when not available is not required, whenever property other than inventory, is purchased with the loan funds, a mortgage or pledge of such

## ACT 6

property shall be required as security for the loan. The administrator may, in his discretion, permit the mortgage or pledge to be subordinated to the lien of a financial institution or government lending agency in the event such subordination should become necessary for the borrower to secure additional funds.

**SECTION 9. Conditions of Loans.** Every applicant who is granted a loan under the provisions of this Act shall:

(a) Expend the loan funds only for those purposes authorized by the administrator;

(b) Agree not to sell or otherwise dispose of mortgaged or pledged property except on written consent of the administrator, and except upon such conditions as the administrator may prescribe in writing;

(c) Undertake to pay, when due, all taxes, liens, judgments, or assessments which may be lawfully assessed against the property mortgaged, together with the costs and expenses of any foreclosure of such mortgage; and

(d) Keep insured to the satisfaction of the administrator all buildings and other insurable property covered by any mortgage.

**SECTION 10. Default.** If the applicant is in default of any term or condition in any loan agreement or mortgage or the provisions of this Act, the unpaid balance of the loan, including interest, shall, at the option of the administrator, become due and payable forthwith, and the administrator may foreclose any mortgage by any method provided for by law.

**SECTION 11. Applications.** Applications for loans shall be made in the form prescribed for that purpose by the administrator and shall be filed with the administrator within nine (9) months from the date of the disaster.

### **SECTION 12. Appropriation; repayment; and lapsing.**

(a) There is hereby appropriated out of the general revenues of the State of Hawaii, not otherwise appropriated, the sum of \$600,000, or so much thereof as may be necessary, to the Department of Economic Development to be expended by the administrator for the loans authorized by this Act for the disaster resulting from the tsunami of May 23, 1960.

(b) There is hereby created a fund to be known as the "State Disaster Commercial Loan Fund", the moneys from which or so much thereof as may be necessary shall be used by or under the direction of the administrator for the making of loans under this Act. There is hereby appropriated to the State Disaster Commercial Loan Fund sufficient moneys from the general revenues not otherwise appropriated as will from time to time be required to re-establish the said fund at the total of \$600,000; provided that the administrator may not apply or may not use in excess of \$600,000 for loans for any single disaster.

(c) There is hereby appropriated out of the general revenues of the State of Hawaii, not otherwise appropriated, for the period ending June 30, 1961, the sum of \$15,000, or so much thereof as maybe necessary, to the Department of Economic Development for the expenses to be incurred in the administration of this Act.

(d) All repayments of loans made under this Act and interest col-

lected thereon shall be credited to the general fund of the State. Any amounts appropriated for a specific disaster area and remaining uncommitted one (1) year after the occurrence of the respective disaster shall lapse into the general fund of the State of Hawaii.

**SECTION 13. Report.** Within ten days after the convening of the regular session of the State Legislature in February, 1961, the director of the Department of Economic Development shall submit to the members of the Legislature an interim report as of December 31, 1960, showing among other things, the number of applications received, the number, purposes and amounts of loans granted, and the number of applications rejected and reasons for such rejections for each disaster.

**SECTION 14. Effective Date.** This Act shall take effect upon its approval.

(Approved July 6, 1960.) **S.B. 6.**

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### ACT 7

An Act Appropriating Money to the Hawaii Housing Authority for the Development of Public Housing Projects in Hilo, County of Hawaii, State of Hawaii.

*Be it Enacted by the Legislature of the State of Hawaii:*

**SECTION 1.** It is the purpose of this Act to assist victims of the tsunami of May 23, 1960, by providing funds and authority to develop housing facilities for such victims within the shortest possible time. It is the belief of the Legislature that such housing can be substantially completed within six to eight months after the effective date of this Act and it is the intent of the Legislature that substantial numbers of housing units shall be ready for occupancy within that time. It is the further intent of the Legislature that this Act shall be administered with the primary objective of relieving distress, and that all powers conferred by this or any other law shall be interpreted broadly until such relief is in fact achieved.

**SECTION 2.** The Hawaii Housing Authority shall construct public housing units on public lands which may be set aside by the Governor in the immediate vicinity of Hilo, Hawaii, using for such purpose the funds appropriated by this Act or available to the Authority from any other source. Housing so constructed shall be of standard quality and shall conform substantially to the specifications used on other projects controlled by the Authority.

**SECTION 3.** The funds hereby appropriated shall be expended by the Hawaii Housing Authority for the designated purpose under the provisions of chapters 74, 76 or 77 of the Revised Laws of Hawaii 1955, as amended, only upon the finding that the public housing project found necessary does not qualify for federal aid or participation. Any State housing project constructed under the provisions of this Act shall be constructed concurrently with the federally aided housing.

**SECTION 4.** There is hereby appropriated out of the general revenues of the State of Hawaii, not otherwise appropriated, the sum

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of \$500,000, or so much thereof as may be necessary, for the purposes of this Act; provided, that all revenues derived from this project, except for reasonable administrative and operating expenses, shall be credited to the general fund of the State until the sum expended shall be reimbursed without interest and any revenues thereafter shall be credited to the Hawaii Housing Authority.

SECTION 5. Notwithstanding the provisions of section 4, the Authority may expend not more than \$100,000 of the sum appropriated above to pay any amount required of the County of Hawaii as the County's share of contribution toward a federal aid or participating public housing project.

SECTION 6. Any uncommitted funds from the appropriation made in this Act shall lapse into the general fund of the State on the first day of the 1961 regular session of the State Legislature.

SECTION 7. The director of social services shall submit to the members of the State Legislature a full and detailed report of public housing problems in the Hilo area and of the accomplishments under this Act not later than the first day of the 1961 regular session of the State Legislature.

SECTION 8. This Act shall take effect upon its approval.

(Approved July 6, 1960.) **H.B. 4.**

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## ACT 8

An Act Amending Chapter 340 of the Revised Laws of Hawaii 1955.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Chapter 340 of the Revised Laws of Hawaii 1955 is hereby amended by adding thereto section 340-9 to read as follows:

**"Section 340-9. Charitable trusts; leases.** Trustees of a charitable trust may modify, suspend, or waive the enforcement of any provision of any lease or accept a surrender thereof in the event that a leased land or any structure built thereon has been destroyed in part or in whole by any natural disaster, or the use of the land or the construction of any improvements thereon has been restricted or prohibited in any manner by law, ordinance or regulation of any government agency due to natural disaster."

SECTION 2. This Act shall apply to any natural disaster which has or will have occurred from and after the 23rd day of May, 1960.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 6, 1960.) **H.B. 6.**

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## ACT 9

An Act Making Appropriations out of the General Revenues to Improve Civil Defense.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The following sums, or so much thereof as shall be sufficient to accomplish the purpose or programs designated by the appropriations, are hereby appropriated out of moneys in the treasury from general revenues:

(a) DEPARTMENT OF DEFENSE .....		\$202,475
Telephone loop to Radio Stations.....	1,200	
TWX to all Counties—Rental of lines and Equipment (to be located in the Police Stations of the respective counties and to be used by State and Counties during non-emergency periods) .....	24,000	
Centralized CD Radio Broadcast Programs.....	6,375	
6 ea 136 DB Sirens and relocation of present system (Oahu) .....	75,000	
Switchboard for RAC I, Wahiawa, Oahu.....	5,500	
25 ea 10 HP Sirens (Maui County).....	32,000	
21 ea 5-10 HP Sirens (Hawaii County).....	29,400	
21 ea 8-10 HP Sirens (Kauai County).....	27,000	
Surplus program .....	2,000	
(b) COUNTY OF MAUI.....		8,500
Line Rentals .....	6,000	
Power for Siren System.....	2,500	
(c) COUNTY OF HAWAII.....		32,000
Line Rentals .....	30,000	
Power for Siren System.....	2,000	
(d) COUNTY OF KAUAI.....		11,000
Line Rentals .....	9,000	
Power for Siren System.....	2,000	
GRAND TOTAL .....		\$253,975

SECTION 2. The funds designated after items (b), (c), and (d) of Section 1 above shall be paid to each respective board of supervisors or city council, as the case may be, which board or city council shall disburse such funds in accordance with the purposes specified in each item. Any excess funds shall revert to the general fund of the State. Each board of supervisors or city council, as the case may be, shall submit to the members of the State Legislature a full and detailed report of the expenditure of these funds at least 10 days prior to the convening of the 1961 regular session of the State Legislature.

SECTION 3. All matching funds received from whatever source either by the State or the Counties for any of the items listed in Section 1 shall be deposited with the Director of Budget and Review to the credit of the general fund.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 6, 1960.) **H.B. 9.**

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**ACT 10**

A Bill for An Act Amending Chapter 102, Revised Laws of Hawaii 1955.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 102-4 of the Revised Laws of Hawaii 1955, as amended, is hereby further amended in the following respects:

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(a) By substituting a colon for the comma after the word "powers" in the second line of said section and deleting therefrom the following words:

"which shall be exercised pursuant to rules and regulations having the force and effect of law, to be adopted by the farm loan board and approved by the governor in accordance with section 7-41, inclusive, of the Revised Laws of Hawaii 1955."

(b) By adding thereto a new subsection to read as follows:

"n. Promulgate rules and regulations as it may deem necessary in accordance with Section 7-28 to Section 7-41 inclusive, of the Revised Laws of Hawaii 1955, as amended, having the force and effect of law."

SECTION 2. This Act shall take effect upon its approval.

(Approved July 6, 1960.) S.B. 7.

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## ACT 11

A Bill for An Act to Provide Assistance to Individuals Whose Unemployment or Continued Unemployment is or was Wholly or Partially Caused by the Tsunami of May 23, 1960, and Making An Appropriation Therefor.

*Be it Enacted by the Legislature of the State of Hawaii:*

SECTION 1. **Purpose.** The purpose of this Act is to provide assistance to the unemployed whose unemployment or continued unemployment is or was wholly or partially caused by the tsunami which struck the state of Hawaii on May 23, 1960.

SECTION 2. **Definitions, generally.** As used in this Act, unless the context clearly requires otherwise:

(a) "Director" means the director of labor and industrial relations of the State.

(b) "Fund" means the disaster unemployment compensation fund established by this Act.

(c) "Unemployment". An individual shall be deemed "unemployed" in any week during which he performs no services and with respect to which no wages are receivable by him, or in any week of less than full time work if the wages receivable by him with respect to such week are less than his weekly benefit amount payable under this Act.

(d) "Disaster unemployment benefits" means the unemployment compensation benefits payable under this Act.

(e) "Normal benefits" means the unemployment compensation benefits payable pursuant to Chapters 93 and 93A, Revised Laws of Hawaii 1955, as amended, and Title XV of the Social Security Act, as amended. Benefits payable under said Title XV shall be considered normal benefits for the purposes of this Act only if such Title XV benefits are based on wages assignable to the State of Hawaii.

(f) "Claimant" means an individual whose unemployment or continued unemployment was proximately caused by the tsunami which struck the State of Hawaii on May 23, 1960; and

(1) who is not entitled to normal benefits or any other benefits under



any state or federal unemployment compensation laws for the week in which he claims for disaster unemployment benefits due to exhaustion or unavailability of such benefits, and who has an unexpired benefit year or whose benefit year expired after May 21, 1960; or

(2) who was employed or self-employed during the week ending May 21, 1960 and who is not entitled to normal benefits or any other benefits under any state or federal unemployment compensation laws for the week in which he claims for disaster unemployment benefits. For the purposes of this Act a claimant is deemed to be self-employed if he was operating or engaged in a trade, occupation or business of his own immediately preceding May 23, 1960.

(g) "Wages" means all remuneration for services from whatever source, including commissions and bonuses, and remuneration from self-employment, and the cash value of all remuneration in any medium other than cash, but not including tips or gratuities paid directly to an individual by a customer of his employer and not accounted for by the individual to his employer. The reasonable cash value of remuneration in any medium other than cash shall be estimated and determined in accordance with rules prescribed by the director. For the purposes of this Act "wages" does not include the amount of payment or remuneration set forth in section 93-11, Revised Laws of Hawaii 1955, as amended.

(h) "Week" means any period of seven consecutive days as the director may by regulation prescribe.

(i) "Benefit year" refers to "benefit year" as that term is defined in section 93-1(c), Revised Laws of Hawaii 1955, as amended.

**SECTION 3. Payment of benefits.** Disaster unemployment benefits are payable from the fund to unemployed claimants who are eligible under this Act.

**SECTION 4. Weekly benefit amount.** A claimant's weekly benefit amount under this Act shall be the same as his weekly normal benefit amount payable during his most recent benefit year less that part of wages (if any) payable to him with respect to such week which is in excess of \$2.00; provided, that if he has no determinable weekly normal benefit amount, then his weekly benefit amount shall be \$35.00 less that part of wages (if any) payable to him with respect to such week which is in excess of \$2.00.

**SECTION 5. Maximum benefits payable.** A claimant's maximum potential disaster unemployment benefits shall be 13 times his weekly benefit amount, and shall be determined in the week in which he first claims for disaster unemployment benefits and shall remain unchanged for the period of this Act.

**SECTION 6. Requirements for eligibility.** An unemployed claimant is eligible to receive disaster unemployment benefits with respect to any week only if the director finds that:

(a) He has made a claim for disaster unemployment benefits with respect to such week in accordance with the regulations as the director may prescribe with respect to claims for normal benefits.

(b) He meets the eligibility requirements of subsections (b) and (c) of section 93-28, Revised Laws of Hawaii 1955, as amended.

(c) He is not subject to disqualification and is not under disqualifica-

tion for normal benefits under any provision of section 93-29, Revised Laws of Hawaii 1955, as amended.

**SECTION 7. Disqualification for disaster unemployment benefits.** A claimant shall be disqualified for disaster unemployment benefits:

(a) **Voluntary separation.** For any week in which he has left his work voluntarily without good cause and for not more than seven consecutive weeks of unemployment which immediately follow such week, as determined according to the circumstances in each case.

(b) **Discharge for misconduct.** For the week in which he has been discharged for misconduct connected with his work and for not more than seven consecutive weeks of unemployment which immediately follow such week, as determined in each case in accordance with the seriousness of the misconduct.

(c) **Failure to apply for work, etc.** If he has failed, without good cause, either to apply for available, suitable work when so directed by the director or any duly authorized representative of the director, or to accept suitable work when offered him. Such disqualification shall continue for the week in which such failure occurred and for not more than seven consecutive weeks of unemployment which immediately follow such week, as determined according to the circumstances of each case.

(1) In determining whether or not any work is suitable for a claimant there shall be considered among other factors and in addition to those enumerated in paragraph (2) of this subsection, the degree of risk involved to his health, safety and morals, his physical fitness and prior training, his experience and prior earnings, the length of his unemployment, his prospects for obtaining work in his customary occupation, and the distance of available work from his residence and prospects for obtaining local work.

(2) No work shall be deemed suitable and benefits shall not be denied under this Act to any otherwise eligible claimant for refusing to accept new work under any of the following conditions:

(i) If the position offered is vacant due directly to a strike, lockout or other labor dispute;

(ii) If the wages, hours or other conditions of the work offered are substantially less favorable to the claimant than those prevailing for similar work in the locality;

(iii) If as a condition of being employed the claimant would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(d) **Labor dispute.** For any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment or other premises at which he is or was last employed; provided that this subsection shall not apply if it is shown that:

(1) He is not participating in or directly interested in the labor dispute which caused the stoppage of work; and

(2) He does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute; pro-

vided that, if in any case separate branches of work which are commonly conducted as separate businesses in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purpose of this subsection, be deemed to be a separate factory, establishment or other premises.

(e) If the director finds that he has made a false statement or representation knowing it to be false or knowingly fails to disclose a material fact to obtain any disaster unemployment benefits under this Act, in which case he shall be disqualified for the week in which the director makes such determination and for the remainder of the weeks for which he would otherwise be eligible.

(f) **Pregnancy.** Within four months prior to the anticipated date of such claimant's giving birth to a child and two months after childbirth.

**SECTION 8. Claim.** A claimant who desires to claim disaster unemployment benefits shall file a claim pursuant to section 93-31, Revised Laws of Hawaii 1955, as amended.

**SECTION 9. Effective date of claim; waiting period not required.** The effective date of a claim shall be the first day of the week in which a claim is first filed. No claimant shall be required to serve a waiting period. Provided, that a claimant shall be entitled to benefits under the Act commencing on the week beginning June 5, 1960.

**SECTION 10. Determination, redetermination, notice of determination, appeal.** The procedure with respect to the determinations and redeterminations of claims for disaster unemployment benefits and with respect to appeals from such determinations and redeterminations and with respect to judicial review of decisions on such appeals shall be governed by the provisions of sections 93-32 to 93-40, Revised Laws of Hawaii 1955, as amended.

**SECTION 11. Recovery of disaster unemployment benefits; penalties.** (a) Any person who makes, or causes to be made by another, a false statement or representation of material fact knowing it to be false or who knowingly fails, or causes another to fail, to disclose a material fact, and as a result thereof has received any amount as benefits under this Act to which he was not entitled shall be liable for such amount. Notice of redetermination in such cases shall specify that the person is liable to repay to the fund the amount of disaster unemployment benefits paid to him by reason of such nondisclosure or misrepresentation, and the week or weeks for which such benefits were paid.

(b) In case in which under this section a claimant is liable to repay any amount to the director, such amount shall be collectible without interest by civil action in the name of the director.

(c) Whoever makes a false statement or representation knowing it to be false or knowingly fails to disclose a material fact to obtain or increase any benefit or other payment under this Act shall be fined not less than \$20.00 nor more than \$200.00, or imprisoned not more than thirty days, or both.

**SECTION 12. Disaster unemployment compensation fund.** There is hereby created a fund to be known as the disaster unemployment compensation fund. The director of the budget of the State shall be custodian

## ACT 12

of the fund, and all disbursements therefrom shall be paid by him upon orders signed by the director.

**SECTION 13. Appropriation.** There is hereby appropriated out of the general funds of the State of Hawaii the sum of \$300,000 or so much thereof as may be necessary, to be credited to the disaster unemployment compensation fund, for the purposes of this Act.

**SECTION 14. Administrative expense.** Moneys credited to the account of the disaster unemployment compensation fund may be requisitioned and used for the payment of expenses incurred for the administration of this Act.

**SECTION 15. Administration; other sections applicable.** For the purposes of this Act, the provisions of sections 93-90, 93-91, 93-94, 93-95, and 93-97 to 93-102, Revised Laws of Hawaii 1955, as amended, shall apply, mutatis mutandis, to the administration of this Act.

**SECTION 16. Rights, etc., preserved; other sections applicable.** For the purposes of this Act, the provisions of sections 93-150 to 93-152, Revised Laws of Hawaii 1955, as amended, shall apply mutatis mutandis.

**SECTION 17. Non-liability of State.** Disaster unemployment benefits shall be deemed to be due and payable under this Act only to the extent provided in this Act, and to the extent that moneys are available therefor to the credit of the disaster unemployment compensation fund.

**SECTION 18. Savings clause, amendment or repeal.** The legislature reserves the right to amend or repeal all or any part of this Act at any time; and there shall be no vested private right of any kind against such amendment or repeal. All rights, privileges or immunities conferred by this Act or by acts done pursuant thereto shall exist subject to the power of the legislature to amend or repeal this Act at any time.

**SECTION 19. Termination date.** No claimant shall be entitled to any disaster unemployment benefits provided by this Act after the week ending June 30, 1961. Any moneys remaining in the disaster unemployment compensation fund, after payment of all benefits and expenses, shall revert to the general funds of the State.

**SECTION 20. Effective date.** This Act shall take effect upon its approval; provided, that claims may be paid from the week beginning June 5, 1960.

(Approved July 6, 1960.) **S.B. 2.**

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## ACT 12

An Act Relating to the Expenditures of Special Land Funds and Amending Sections 99-21, 99-27, and 99-28 of the Revised Laws of Hawaii 1955, and Adding a New Section to be Numbered 99-28.5.

*Be it Enacted by the Legislature of the State of Hawaii:*

**SECTION 1.** Section 99-21 of the Revised Laws of Hawaii 1955, is amended to read as follows:

**“99-21. Special funds.** All proceeds of sale of public lands, for homestead or other purposes, in any county, including interest on the deferred payments and rents under right of purchase leases, and all rents from those general leases derived from lands included within an improvement or development project initiated and approved by the Board of Land and Natural Resources to the extent that said rents from said general leases shall equal the improvement or development cost, shall be set aside as a special fund for the county, and shall be used and disposed of as follows, and in the following order of priority:

(a) To reimburse the revolving fund created by section 99-27 for expenditures therefrom for the improvement or development of lands in the county.

(b) To reimburse the general fund of the state for advancements heretofore or hereafter made therefrom, which are required to be reimbursed from the proceeds of sales or from those general leases derived from lands included within an improvement or development project initiated and approved by the Board of Land and Natural Resources in the county.

(c) To be appropriated by the Board of Land and Natural Resources for the improvement and development of public lands in the county, as provided in Section 99-28.

(d) To be appropriated by the Board of Land and Natural Resources for the acquisition of private property in the county for public use, or the clearing of encumbrances on public lands, as provided in Section 99-22.

(e) To be transferred to the general fund of the State, in such amounts and at such times as the Board of Land and Natural Resources may determine.”

SECTION 2. Section 99-27 of the Revised Laws of Hawaii 1955 is amended to read as follows:

**“99-27. Revolving fund.** There is hereby created in the treasury of the State a special fund, to be designated as the ‘land development revolving fund’. Expenditures from the fund may be made on vouchers approved by the Board of Land and Natural Resources for the purpose of opening public lands for homesteading or for sale or for general leasing, including surveys, construction of roads, construction of water lines to supply such lands with water, construction of sewer lines, and such other improvements as may be necessary for the development of such lands for homesteading or for sale or for general leasing; provided that the plans and specifications for these projects shall meet with the approval of the city council or the board of supervisors of the county in which the tracts are located, as well as the Board of Land and Natural Resources.

Disbursements from the fund shall be reimbursed from the special land fund of the county in which the land so improved or developed is situated, as provided in Section 99-21, and moneys so reimbursed shall be available for expenditure for the purposes and in the manner above provided.”

SECTION 3. Section 99-28 of the Revised Laws of Hawaii 1955, is amended to read as follows:

**“99-28. Land improvements.** The Board of Land and Natural Re-

sources may designate from the special land fund of a county such sum of money as is required for the opening of public lands in that county for homesteading or for sale or for general leasing, as provided in Section 99-21, and the same shall thereupon be deemed to be and is appropriated for such purpose, including surveys, construction of roads, construction of water lines to supply such lands with water, construction of sewer lines, and such other improvements as may be necessary for the development of such lands for homesteading or for sale or for general leasing; provided that the plans and specifications for these projects shall meet with the approval of the city council or board of supervisors of the county in which the tracts are located, as well as the Board of Land and Natural Resources.

Such appropriation may be expended by and under the authority of the Board of Land and Natural Resources or may be ordered by it to be transferred to the county in which the land is situated to be expended by and under the authority of the city council or board of supervisors of such county. The Board of Land and Natural Resources, the city council or the board of supervisors, as the case may be, may at any time or times designate any unexpended part of the moneys so appropriated as are no longer required for such purposes, and thereupon the appropriation shall lapse as to such part, which shall then be available for other purposes of the special land fund or for transfer to the general fund, as provided in Section 99-21."

SECTION 4. 99-28.5. There is hereby added to Section 99-28 of the Revised Laws of Hawaii 1955, a new section to read as follows:

"99-28.5. Any provision herein to the contrary notwithstanding, no expenditures may be made from said funds established in Sections 99-21 and 99-27 for an improvement or development project, except for preliminary planning and the preparation of feasibility studies as hereinafter set forth, without express prior legislative approval, unless said project shall be found by the Board of Land and Natural Resources to be self-liquidating over a reasonable period of time, but in no event longer than ten (10) years; provided, however, that in the event said improvement or development project shall be disposed of by general lease, the period of self-liquidation shall in no event be longer than twenty (20) years. As used herein, the term 'self-liquidating' or 'self-liquidation' shall mean with respect to a project that the estimated revenues to be derived from all dispositions of land within the limits of such project shall exceed the total costs for said project, based upon a detailed study of the economic feasibility thereof conducted by such Board with the aid of such professional assistants as said Board may deem to be necessary or advisable.

For the purposes of such feasibility study the total cost of a subject project shall include the reasonable value of the land and all costs to the State which shall be reasonably necessary to complete the improvement and development of such land to its intended use in conformity with a comprehensive land use plan and applicable county land development standards, including all costs for the development of such connecting roads, water and utility lines from the existing termini thereof as may be necessary and desirable for the placement of such land to immediate use following the disposition of the same. Estimated revenues shall be

based upon a market analysis or survey which shall be confined to those revenues which are reasonably to be expected in the then current market from dispositions of land within the limits of such project made subject to the satisfaction of a reasonable building requirement within a period of three (3) years from the date of disposition in the case ofouselots and lots for business uses or other undertakings or uses not primarily agricultural in character; provided, however, that in the case of lots for uses primarily agricultural in character such lots shall be disposed of subject to such reasonable improvements as the Board of Land and Natural Resources may require. Provided, however, that the foregoing provisions are not applicable to the following projects:

1. Hilo Lincoln Park
2. Hilo Industrial Lots
3. Waiakea Homestead Residential Lots
4. Kaniahiku Houselots
5. Lalamilo Farm Lots
6. Waimanalo General Project
7. Waianae Kai Project
8. Waiakea Peninsula Project
9. Kapaa Houselots Project

SECTION 5. This Act shall take effect upon its approval.

(Approved July 8, 1960.) **S.B. 12.**

**TABLES SHOWING EFFECT  
OF ACTS**



**GENERAL INDEX**



**TABLES SHOWING EFFECT OF ACTS, FIRST LEGISLATURE  
REGULAR AND SPECIAL SESSIONS OF 1960  
STATE OF HAWAII**

Key:

Am — Amended  
R — Repealed  
N — New Section

— Section numbers to be inserted  
by Revisor of Statutes in the  
Cumulative Supplement to the  
Revised Laws of Hawaii 1955

**A. SECTIONS OF REVISED LAWS OF HAWAII 1955 AFFECTED**

R.L.H. 1955 Sections	Effect	Act No.	R.L.H. 1955 Sections	Effect	Act No.
2-20	Am	1	124-4	Am	26
99-21	Am	12 (Sp)	128-19(a)	Am	12
99-27	Am	12 (Sp)	129-9	Am	4
99-28	Am	12 (Sp)	143-7.1	N	5 (Sp)
99-28.5	N	12 (Sp)	143-8	Am	5 (Sp)
102-4	Am	10 (Sp)	143-20	Am	5 (Sp)
111, Pt. IV, Title	N	3	143-20.1	Am	5 (Sp)
111-42 to 111-49	N	3	145A	Am	20
117-14(a), (b)	Am	4	147- —	N	20
117-14(f-1)	N	24	178-39.5	N	9
117-15	Am	4	178-67	Am	17
117-16(c), (d)	Am	4	220-6	Am	7
117-24.3	N	25	340-9	N	8 (Sp)
118-2(b)	Am	4	359-3(d)	Am	6
121-11(a)	Am	4	359-13(a)	Am	6

**B. SESSION LAWS OF HAWAII AFFECTED**

Laws 1955	Effect	Act No.	Laws 1960, Regular Session	Act No.
210, s. 2	Am	11	Act 19	Am 4 (Sp)
<b>Laws 1959, Regular Session</b>				
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173, s. 1	Am	22		
224, s. 1(a)5A(4)	Am	8		
224, s. 3(a)A(8)	Am	10		
245, s. 1	Am	14		
J.R. 21	Amended and Ratified	15		

**C. SECTIONS OF THE HAWAIIAN ORGANIC ACT AFFECTED**

Section	Effect	Act No.
73(i)	Am	15

**D. HONOLULU CITY AND COUNTY CHARTER**

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8-104	Am	2

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